A U.S. DEPARTMENT OF COMMERCE WEEKLY

# International Commerce

June 17, 1968

## Mission reports from Chile, Paraguay

# International Trade Winds

## Company News

BANKING—The First National City Bank, New York, will open German subsidiaries in Duesseldorf and Munich by the end of the year. Citibank already maintains branches in Berlin, Frankfurt and Hamburg. The purpose of the branches is to provide better, more convenient service to customers in the North Rhine-Westphalia and Bavaria areas.

HEATING EQUIPMENT—Ideal Standard, Italian subsidiary of American Standard Inc., New York, has opened a new plant for production of cast iron radiators at Salerno, near Naples, Italy. The new plant, located near another American Standard plant in operation since 1965, will reportedly employ up to 1,100 people and produce 1.3 million square meters of radiators annually.

INFORMATION SYSTEMS—Raytheon Co., Lexington, Mass., has received an order from Air Canada for $10 million worth of digital information display systems to help speed reservations and scheduling on Air Canada's worldwide air routes. A total of 1800 television-like displays will be installed in 47 of the cities now served by Air Canada. Reservationists and other airline personnel will be given instant access to computer-stored information on any Air Canada flight in the world. The DIDS-400 system to be installed is similar to ones now in use or on order by Air France, Iberia Airlines, and American Airlines.

HOTELS—Intercontinental Hotels Corp., a subsidiary of Pan American Airways, will cooperate with the German airline Lufthansa, Cologne, in the construction and operation of hotels in the Federal Republic. The first joint project is the new Intercontinental Hotel currently under construction at Duesseldorf. Additional hotels are planned for Stuttgart, Hamburg and Munich. Lufthansa will also acquire participation in the two existing Intercontinental Hotels at Frankfurt and Hanover. The new hotels are to be erected mainly in cities served by Lufthansa flights and are to be completed by 1973.

# Newsletter

Will Southeast Asian businessmen turn out for an industrial catalog show? In the first three days of such a show at the Bangkok U.S. Trade Development Center, 226 did. They looked at the catalogs of 484 U.S. agricultural equipment makers and saw a program of U.S. agricultural films. Requests were made for catalogs of 119 companies. Lesser known firms drew special attention. A second such show, on the U.S. machine tool industry, is now being readied.

Here's what the Bangkok center means in another context, its use by a single company—R. C. Maclaurin of the Singer Co. speaking: "It is always easier to bring customers to a 'Special Exhibition' rather than our showroom, and holding such an exhibition is a good method of making our sales staff work harder in bringing prospects to see our equipment. By using the excellent facilities of the U.S. Trade Center at relatively little expense to us, we were able to stretch our limited promotion budget to produce a far better show than initial sales could economically justify."

The "portless port" is on the way, if R. P. Holubowicz of Ingalls Shipbuilding is right. He means that the traditional place where cargo is sorted, stored, inspected, marketed, and packaged will disappear, and ports will be merely links in an overall system of containerized transportation. And when the truly big containerships of the future are operating, they they will call only at major loading centers with the best inland links, he believes.

Another request to U.S. companies to gather specific information on the non-tariff barriers they have faced in other nations has been made--this time by the California Council for International Trade, testifying in Washington on future U.S. trade policy. Earlier, the National Chamber Foundation at the U.S. Chamber of Commerce circularized all Chamber members in foreign trade on this important question.

Air waybill. Blocked space. Cargo Sales Agent (IATA). Deferred service. Dimensional weight. Immediate delivery (U.S.A.). Joint rate. Editor Mike Zeigfinger of the new Jet Cargo News has listed these among about 40 terms he has gathered in his Glossary of Air Freight Terms. It's part of a new terminology for foreign traders.

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## the cover

A trade mission sent out by the U.S. Department of Commerce to appraise the markets in Chile and Paraguay reports its findings on pages 2-24 of this issue. In Asuncion, U.S. Ambassador Benigno C. Hernandez, second from left, admires the gift of a Nandutti lace U.S. flag presented to the mission by the president of the Federation of Paraguayan Industry and Commerce (FEPRINCO), Dr. Raul Daumas Ladouce (right).

June 17, 1968

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# International Commerce

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## Special Report

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READY FOR BUSINESS, mission members arrive in Santiago to appraise Chilean markets. From left: Rodriguez, O'Hara, Toler, Swartz, Jackson, Slenes, Duff.

U.S. MISSION REPORT

# *Traders view Chilean, Paraguayan markets*

**Chile:**

- Wants to expand food production
- Stresses diversification of economy
- Is now producing manufactured fertilizers and petrochemicals
- Needs variety of materials, equipment

**Paraguay:**

- Emphasizes economic development
- Wants to increase farm output
- Exempts some capital goods from import duties
- Like Chile, has tourism potential

Chile and Paraguay both offer U.S. suppliers a good chance to expand their exports to South America, according to a Department of Commerce trade mission that returned earlier this month from a four-week visit to these nations.

Chile's emphasis on industrialization has resulted in neglect of its rich agricultural resources. Now efforts are under way to increase food production for expanded exports. Requirements in farm implements must be met largely by imports.

The current emphasis on production of petrochemicals and manufactured fertilizers is creating opportunities for U.S. suppliers of related materials.

In addition to traditional activities such as mining, newer operations resulting from diversification and modernization of industry are opening markets for a variety of industrial equipment.

In Paraguay, as in Chile, acceleration of economic development is being stressed. The Government in Asuncion has enacted legislation exempting from customs duties imported capital goods needed for establishment of industries and also exports of manufactures of new industries. A marked increase in import of agricultural chemicals is expected, as the country strives to expand farm output. Attitudes are receptive to foreign investment and to two-way trade with the U.S.

Both nations offer good possibilities in tourism development.

The seven-man U.S. Trade Mission reported these and other findings after talking with some 900 Latin American businessmen in Santiago, Valparaiso, and Concepcion in Chile, and Asuncion, Paraguay, Apr. 20—May 18.

From their interviews, the mission members brought back more than 250 specific opportunities from businessmen in the two countries. More than 40% were for exporting goods to Paraguay and Chile, 15% for importing from the two countries, the remainder for joint ventures or licensing.

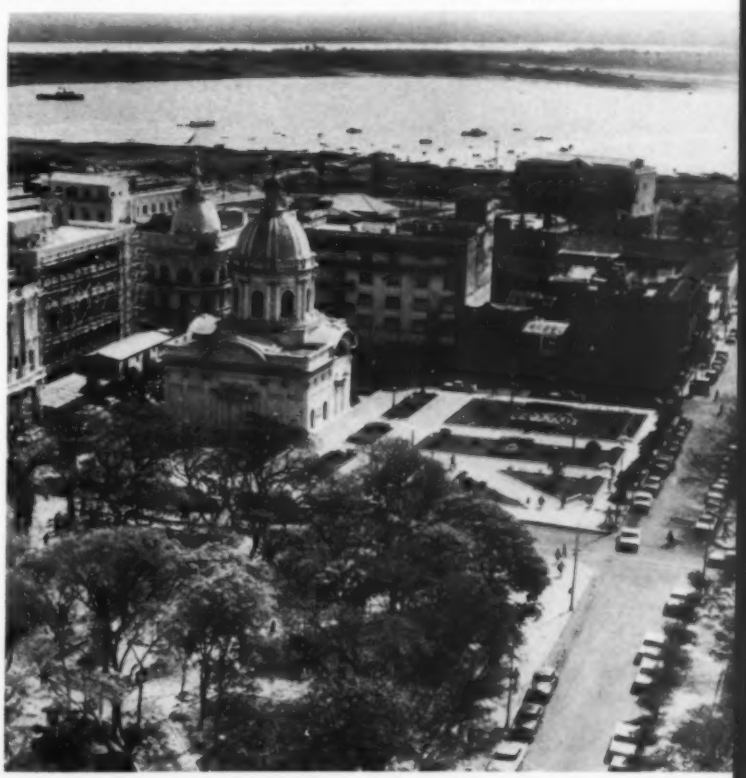
More than a third of the leads were in food processing—a substantial number for exports of food-processing equipment —and in the related fields of livestock, farming, and fishing. Other popular areas were automotive parts and accessories and basic chemical products.

Most of these opportunities are listed in the World Trade and Investment Opportunities sections of this issue of International Commerce, pages 42-51 and 36-39.

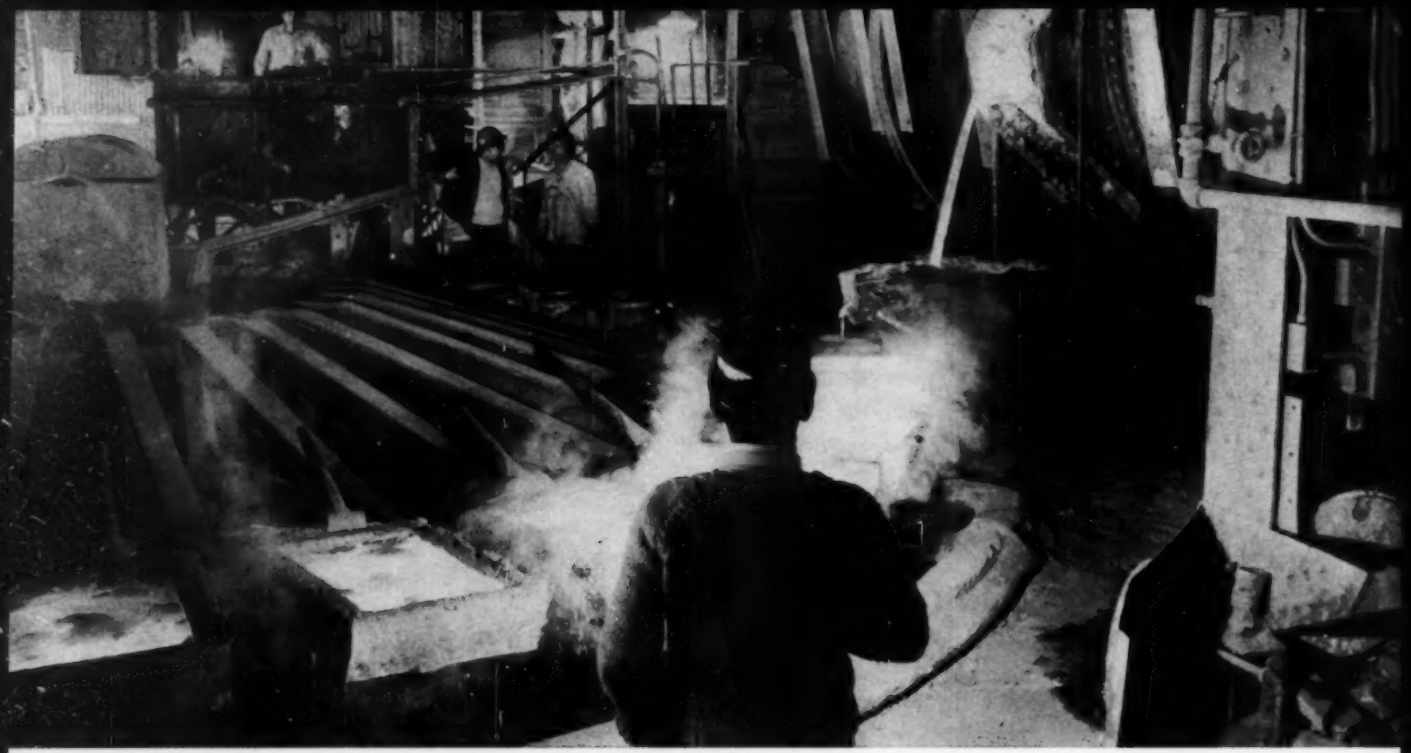
The full mission will report its findings to U.S. businessmen at an all-day conference in San Antonio on June 18.

Mission member Swartz has already talked with about 20 U.S. traders—on June 5 in San Francisco, and plans to be there again for appointments on June 27. Mission member Duff reported to a group of about 200 in Anaheim, Calif. Other individual conferences are being planned in Minneapolis and Chicago. For additional information about the June 18 meeting, or for appointments during other meetings now being arranged, **write** the Commerce Department Field Offices in the cities named.

The mission was comprised of five businessmen—specialists in chemicals, industrial equipment, food processing, automotive parts, and financing—and two Government representatives: Barrett S. Duff, international business consultant, San Marino, Calif.; Osmond A. Jackson, consultant, Federation of Rocky Mountain States, Inc., Denver, Colo.; Charles V. O'Hara, president, O'Hara Metal Products Co., San Francisco, Calif.; Robert A. Slenes, manager, international operations, Marquette Corp., Minneapolis, Minn.; Anthony M. Swartz, director, international sales, Keebler Co., Philadelphia, Pa.; and Reynaldo F. Rodriguez, Chief, West Coast Section, American Republics Divison, and Raymond M. Toler, Economist, Office of Commercial and Financial Policy, both of the U.S. Department of Commerce.



MARKET CENTERS, Santiago, Chile (above) and Asuncion, Paraguay furnished trade leads to U.S. mission to the two countries. (Pan American Airways photos.)



CHILE'S COPPER RESERVES are world's largest, according to mission report. Here, molten blister copper is poured into molds at smelter of Braden Copper Co. in Caletones. This copper is used for agricultural purposes or refined through oxidization and reduction to achieve purity content of 99.92%.

MISSION REPORT: THE MARKET

# Chile has sales chances

## Growing capacity to import, effort to accelerate economic growth should spur demand

By R. F. RODRIGUEZ
*Mission Director*

Chile's growing capacity to import and strong emphasis on achieving a high rate of economic growth should make the country an attractive market for capital goods, equipment and raw materials, and basic agricultural commodities such as wheat, tobacco, and cotton.

Fertilizers, pesticides, seeds, irrigation systems and equipment for working land should be in strong demand. Similarly, there should be a market for food storage and processing, slaughterhouse, milk processing, sugar refining and wine processing equipment.

Construction of a new microwave system to interconnect the country and a seven-year program by ENDESSA, the state power company, to more than double its installed capacity should provide good opportunities for communication and power generating equipment.

Expansion plans in the steel, copper, paper, and petrochemical fabricating industries will generate requirements for capital and intermediate goods.

Increased outlays by government agencies for modernization of railroads, for water and sewerage systems for 300 communities, for hospitals, for schools and other infrastructure projects will also stimulate demands for products in these fields. Mechanical handling equipment, machine tools, and hand tools should also be in strong demand.

U.S. suppliers are facing strong competition, however, from European and Japanese sources. Price, quality, servicing, aggressive selling are important, but to compete effectively in this market, competitive credit terms are vital.

The recent U.S. Trade Mission was in Chile at a time when a renewal of inflationary pressures, a tight balance-of-payments situation and over-preoccupation with politics were having a visible effect upon the economy.

Despite these problems, the most vivid impression of our visit to Chile related to the diversity and rich endowment in natural resources that this country possesses. These resources include some of the world's best agricultural lands. The country has the world's largest known copper reserves, extensive and high grade ore deposits, nitrates, hydrocarbons and other minerals. Extensive forest lands in the south can easily supply the raw material needed for lumbering and other forest products industries to supply domestic and foreign markets.

The Humboldt current which flows north from Antarctica, off the coast, teems with a variety of fish life. Hydroelectric, petroleum, natural gas, coal and other power resources are ample and there is an adequate transportation system.

It was the concensus of the mission

that there were excellent possibilities for development of industrial enterprises based on these resources and for the nation to attain livings standards significantly higher than the existing level.

## Current economic situation

Not the least of Chile's natural resources are the rich agricultural lands of the Central Valley, which have been recognized by a well known agricultural economist as among the best agricultural real estate in the world. Yet, agriculture in recent years has lagged behind the overall growth of the economy, and Chile, which once was a net exporter of agricultural products incurs a substantial deficit in agricultural trade. In 1967 exports were an estimated $50 million and imports close to $200 million for a net deficit of about $150 million.

Previous policies aimed at promoting industrialization and containing domestic inflation have been a major factor accounting for the stagnation in agriculture. Tariff protection for new industries and depreciation of the currency resulted in relatively high prices for agricultural inputs. At the same time, prices of many agricultural commodities were subjected to price ceilings in an effort to restrain price increases for essential food products.

The Government recognizes the need to encourage the growth of agricultural production and is making an effort to reverse this situation by permitting prices of agricultural commodities to rise relative to the overall cost-of-living index. At the same time, it has encouraged use of insecticides, pesticides, improved seeds, agricultural equipment and other agricultural inputs by providing agricultural credits and lowering the prices of these inputs.

U.S. suppliers are in excellent position to supply many of these inputs. Chile's requirements of agricultural machinery and equipment are estimated at about $15 million annually. Except for local production of small farm implements such as rakes and plows, Chile's requirements of agricultural implements must largely be met by imports. Combines, harrows, plows and bailers appear to represent the best immediate possibilities according to Chilean Government import plans.

Chile is also making efforts to reform its land tenure system and a comprehensive agrarian reform program is under way whose economic aims essentially are to increase farm output, convey ownership rights to 100,000 peasants, expand farm incomes, and create a larger rural market for Chilean industry. Implementation of the agrarian reform will require many of the imports just mentioned. Thus, the Agency for International Development (AID) recently made a $23 million loan to Chile to finance the importation of a variety of agricultural machinery and other inputs designed to increase farm productivity in Chile.

MISSION CHIEF RODRIGUEZ gets down to serious business with one of the more than 900 Chilean and Paraguayan businessmen with whom the mission talked—turning up 250 specific leads for U.S. firms.

In addition, Chile is stepping up her efforts to improve agricultural research, extension services, farm to market roads and food distribution systems. Programs are also under way for expansion of irrigation systems and for construction of seven slaughterhouses, four milk-processing plants, four fruit storage facilities, two new sugar refineries and ten wineries.

Given policies designed to encourage better utilization of its agricultural land, significant increases in agricultural production should permit greater self-sufficiency in agriculture and an eventual rise in exports. Comparative advantage in agriculture vis-a-vis other countries place Chile in a favorable position to satisfy the increased demand for agricultural products arising from the world population growth and rising incomes and to take advantage of its reverse seasons to supply the attractive European and U.S. markets, when agricultural products are out of season in these markets.

Exports of fresh fruits are among the agricultural products that have been increasing rapidly in recent years and that appear to have excellent possibilities in the years ahead. These include grapes, fresh apples, melons, plums, nuts, peaches, limes and pears. Chile's excellent wines, which are still relatively unknown abroad, also offer good exports possibilities. Other agricultural exports include beans, lentils, onions, garlic, hides, wool, honey and beeswax.

## Copper major exchange earner

The country's mineral wealth is widely known, largely through Chile's prominence as the world's largest exporter of copper. It is also the world's only producer of natural nitrates and the largest producer of crude iodine, as well as an exporter of iron ore, molybdenum, gold, silver, manganese, lead, zinc, and mercury. Chile has ample deposits of other minerals, including hydrocarbons and nonmetallic minerals needed for establishment of an industrial base.

The large copper companies are now proceeding, under the terms of an agreement in which the Government entered into equity participation with the companies, to carry out a substantial expansion which is expected to boost copper production from 661,000 metric tons in 1967 to close to 1.1 million metric tons by 1972 and more than triple present refining capacity. Total investment expenditure is estimated at $520 million, of which the Export-Import Bank has made loans amounting to $204 million for the purchase of U.S. machinery and equip-

ment. Expansion has proceeded according to schedule, with about $70 million expended in 1967, the first year of the program.

The investments in the mining industry, plus favorable world prices for copper in recent years, have been the major factors accounting for the spectacular growth in Chile's capacity to import and for the improvement in its balance of payment. Once the new investments are in operation, a further increase in the nation's capacity to import may be expected.

Among the specific projects included in the copper expansion programs are the following:

► the Chuquicamata oxide plant of Anaconda's Chile Explortation Co., is to be remodeled to replace out-of-date equipment and to treat ores to be obtained from the developing Exotica mine;

► the Chuquicamata sulfide plant will be expanded to handle increased tonnage of sulfide ores; the concentrator, smelter, and the molybdenum recuperation plant are also being expanded. New equipment to be acquired includes a cupolo smelting furnace, casting wheel and casting bars;

► the present rail haulage system is to be replaced by a system combining heavy trucks and conveyor belts;

► a new electrolytic refinery with an annual capacity of 180,000 short tons is to be built;

► a conveyor belt will be installed to carry ore from the Chuquicamata mine to the sulfide plant;

► to develop the Exotica deposit, major items of acquisition include six 12-cubic-yard mechanical shovels; twenty-nine 100-ton trucks; three rotary drills; seven bulldozer tractors; and three scrapers. Main installations at the mine are to include a primary crusher; and a conveyor belt system.

► major items in expansion of the El Teniente mine include construction of a new haulage and access tunnel, a rail system to carry personnel and materials, and a new concentration plant to be built at Colon.

## Forestry and fisheries

Chile's forest and forest products industry ranks among the most important in Latin America and its full potentialities are still far from realization. Although there are more than 60 different species, the most important is the insignis pine (Monterrey pine) which was introduced from abroad and is now the leading export and the specie most used in reforestration.

Exports of lumber, pulp, newsprint and paper have been increasing, and it is likely that Chile will become a major supplier of these products to Latin America as integration under LAFTA proceeds. Programs are under way for the expansion of lumber mills, paper and cellulose plants. Some of these investments are being undertaken jointly with U.S. interests. These investments also present attractive opportunities for the sale of U.S. equipment to these plants.

The Humboldt Current which flows north along the coast of Chile teems with a variety of sea life. After Peru, Chile is the most important fish producer in Latin America. Most attention in recent years, has centered on the anchoveta catch for the fishmeal industry, but tuna, sardine, salmon, bonita, rock, lobster, shrimp, shellfish, flounder and other varieties of fish make Chile a paradise for lovers of sea foods. The catch is still small in relation to the possibilities of the industry, and it is probable that this industry will also see significant growth in the future.

## Manufacturing

Chile's variety of resources provide a firm basis for development of food processing, metallurgical, chemicals and petrochemicals, forest and forest products and other industries. Since 1939, when the Chilean Development Corporation was first established, industrialization has been promoted aggressively. With world markets for copper virtually closed in the 30's, the goal of the new industries was to supply the domestic market with those products that could not be purchased abroad for lack of exchange. However, given the limits of the Chilean market and the opportunities now presented by the developing common market, import substitution is losing emphasis and there is greater awareness of the need to channel available capital to industries in which Chile has comparative advantages that will permit her to export, particularly to the Latin American Free Trade Association.

Thus, significant investments for expansion of the pulp and paper industry and for the Huachipato steel plant (Acero del Pacifico) are intended to provide exportable surpluses. The latter project, involving a total cost of $150 million, is being financed in part through a loan from the Export-Import Bank for the purchase of U.S. equipment. Another expansion program, involving an investment of $21 million, will be for increased production and export of copper tubes and wire. In the petrochemical industry, plans are under way for eventual construction of three industrial complexes for the production of ammonia, aromatics, and ethylene.

## Impact of a common market

One of the greatest impediments to fuller exploitation of Chile's resources has been the small size of the domestic market. With a population of nine million and a per capita income of about $500 annually, it has frequently not been possible to provide the economies of scale that would make these industries economically viable. In many cases where such industries have been established, they exist only by virtue of strong tariff

RICH NATURAL RESOURCES, particularly minerals, brighten the long-term outlook for Chile's economic growth. This is the world's largest open-pit copper mine, located in northern Chile.

protection. They have no possibilities, however, of reducing production costs or of competing effectively without the existence of large internal markets. The Government appears well aware of this, and this probably accounts for the fact that it is one of the strongest boosters of the Latin American Free Trade Association.

## Sub-regional market

At the same time, Chile is concerned that higher levels of industrialization in Argentina, Brazil and Mexico, all of which possess relatively large national markets, can present a threat to Chile's less developed industrial enterprises. This accounts for the move to advance to a Latin American common market, in stages, by way of a sub-regional common market.

The Andean sub-regional group—Bolivia, Chile, Colombia, Ecuador, Peru and Venezuela—is an attempt to first create a subregional common market in countries at more comparable stages of development before advancing to the Latin American common market. It appears likely that initial progress toward integration will be more rapid in this area than in LAFTA as a whole. But in any case, the direction is toward integration, and the creation of larger mass markets offers new opportunities for viable industries where they did not exist before. This single development calls for careful reassessment of trade, investment and licensing arrangements in the light of this emerging development.

Chile's exports have increased at an impressive annual rate of 17%, from $542 million in 1963 to $887 million in 1967. Most of this growth has been due to the rise in mineral exports, particularly copper. Exports of industrial products, however, have increased at an annual rate of about 40%, rising from $32 million to about $88 million in the same period. The growth of industrial exports has been due largely to the expansion of copper wire and sheets, newsprint and cellulose. In the same period agricultural exports remained relatively stagnant.

In view of the large scale expansion in the copper industry and the intensive attention now being given to promotion of minor exports, it is expected that Chile's exports should continue to rise, thus further enlarging its capacity to import.

With the improvement in Chile's balance of payments position, import restrictions were liberalized in 1966 and imports soared by 25%, from $604.2 million in 1965 to $756.8 million in 1966. The rate of expansion was reduced in 1967, but it is estimated that exports increased in that year by 12%, to $805 million. For 1968, a further increase of about 5% over 1967 is expected.

## Favorable growth rate

Under the stimulus of generally favorable export earnings, the Chilean economy has grown at a favorable rate in recent years, with gross domestic product rising at a real annual rate of about 5% in the years 1960-67. In 1967, the rate of growth tended to decline as the economy was reaching full plant capacity.

One of the major goals of the present Administration has been to reduce gradually an inflationary spiral which raised the cost-of-living by 38% in 1964. Considerable progress was made in 1965 and 1966 when the annual increase in the cost-of-living was reduced to 26% and 17%, respectively.

In 1967, however, the downward trend was reversed and the cost-of-living rose by 21.9%.

The advance in the cost-of-living in 1967 was due, in part, to a deterioration in the size of the government's budgetary deficit and a relaxation of monetary restraints which permitted total bank credit to rise 29% during the year, as compared to 17% in the preceding year. Because of continued budgetary deficits, monetary expansion and demands for large scale wage and price increases, it is probable that the rate of increase in the cost-of-living index this year will exceed last year's level.

Balance-of-payments deficits have been a persistent problem for Chile. A record deficit ($157 million) was sustained in 1962, but in 1963 and 1964 the deficits were progressively reduced. In 1965 and 1966, with the steady improvement in copper prices, significant surpluses of $75 million and $122 million were incurred. In 1967, in spite of a further increase in export earnings, a $26 million balance-of-payment deficit was incurred, largely due to the spectacular increase in imports.

## Modest growth seen

Although imports are expected to rise at a reduced rate this year, it is likely that an equilibrium will be maintained through a further rise in exports. For the longer term, the expected increase in exchange earnings by 1970 should permit a modest growth in imports, although servicing of the external debt will require prudent management of Chile's exchange resources.

In its pursuit of "a revolution in liberty" the present Administration has encountered significant opposition to its basic programs. Measures to bring about social and economic change have been opposed by far leftist parties who do not feel that the measures go far enough and rightist parties who feel that the measures are too far reaching. While a significant number of key measures have been implemented, the measures were enacted after long delays and with significant opposition.

### the author

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*Rodriguez received a B.A. in economics from the University of Georgia, Athens, and has done graduate work at American University, Washington, D.C. in economics and Latin American area studies.*

### AID has programs in Chile, Paraguay

The U.S. Agency for International Development has programs in both Chile and Paraguay.

According to an AID report on its proposed program for fiscal 1969, the agency is requesting $83 million for economic assistance in Chile, and $7.3 million for such assistance in Paraguay.

In addition, AID requests provide for worldwide regional programs. A total of $15.7 million is proposed for AID's Latin American Bureau for projects designed to help solve common problems through joint action programs.

Both Chile and Paraguay have agreements with the United States under the AID Investment Guaranty Program covering U.S. investors against such risks as war, expropriation, and inconvertibility of profits.

For additional information, write: Agency for International Development, Department of State, 21st and Virginia Ave., NW., Washington, D.C. 20523.

VALPARAISO, CHILE'S SECOND LARGEST CITY, was stop for mission. The provincial capital of over 200,000 population is a commercial and manufacturing center located in an agricultural region. Response to the U.S. business proposals, here and in Santiago and Concepcion, was favorable.

MISSION REPORT: RESPONSE

# Local interest in U.S. business proposals revealed at interviews in Chilean cities

## Businessmen there also submitted proposals for consideration of U.S. companies looking for trade with Latin America

By RAYMOND M. TOLER
*Mission Trade Development Officer*

From the local response to the business proposals presented by the U.S. Trade Mission from firms in the United States, it is apparent that a number of new U.S. product lines will appear in Chile.

At the same time, many of the proposals submitted by Chilean businessmen to the Mission were well documented, seemed viable, and should not present difficulties. More than 150 leads were brought back by the group.

The mission in Chile spent a large part of its time in and around the capital.

After an initial week in Santiago, it spent five days visiting the smaller Chilean cities of Valparaiso and Concepcion. These are the second and third largest cities in Chile, respectively, the former lying on the coast about 80 miles west of Santiago and the latter more than 300 miles to the South via the Pan American highway.

The Mission returned to the capital city for a final week of interviews before departing for the trip back to the United States.

While in Concepcion, site of Chile's only iron and steel mill, the members visited the modernized pulp and paper plant at Laja.

Papeles y Cartones S.A., the company which owns the Laja plant, has headquarters in Santiago in the same building in which the U.S. Embassy Chancery is located. Although a great many of the other enterprises in Valparaiso and Concepcion also have headquarters in Santiago, the Mission did obtain a significant number of trade opportunities in these two cities.

In Santiago, the mission visited with several officials of the Chilean government, including the Minister of Foreign Affairs and the Minister of Finance and Economy. It also met with representatives of the Corporacion de Fomento, the government agency which accounts for a large share of the industrial investment in Chile, and with officials of the Government-owned commercial bank, the Banco del Estado.

The mission met with an even larger number of private organizations, including the Importers Association and the Sociedad de Fomento Fabril (equivalent in the U.S. to the National Association of Manufacturers), in Santiago and the local Chambers of Commerce in both Valparaiso and Concepcion. Two interesting visits were with Ambrosio Montalvetti, who showed the mission his plant near Valparaiso for manufacturing and bottling household cooking and heating gas, and with Pedro Undurraga at the Undurraga vineyard outside Santiago.

Individual members visited a number of enterprises that related to their own particular areas of interest: food-processing plants, banks and financial institutions, chemical plants, automotive assembly plants, and small machine shops.

### the author

*Raymond Toler is an economist dealing with international financial problems in the Commerce Department's Office of Commercial and Financial Policy. He also has had experience in the areas of business practices and trade negotiations. Toler has a degree in economics from the University of Oklahoma.*

# New openings for U.S.

## Chile's shift to emphasis on petrochemicals and fertilizers should help U.S. business

By BARRETT S. DUFF
*Consultant, San Marino, Calif.*

The Chilean chemical industry is in the process of dramatic change. Dominated for years by the production and export of natural nitrates the industry is rapidly shifting to petrochemicals, manufactured fertilizers, and other mineral chemicals. This shift is opening important new trade and investment opportunities for U.S. business, but many problems stand in the way.

Although the United States continues to lead in the sale of chemical materials, equipment, and technology to Chile, gains are being made by European competitors. Severe capital and credit restrictions are forcing the local entrepreneur to buy on a 'lowest cost, best credit terms' basis even at a sacrifice of quality and overall economy.

U.S. business can meet this challenge by participating in new capital investments on a joint venture basis and by making certain that the goods and services offered are well tailored to the needs of the Chilean market.

The problems facing businessmen in Chile frequently seem insurmountable to the U.S. businessman. Important problems at the moment include: chronic inflation, a national preoccupation with politics, shortage of capital, severe import credit restrictions, and uncertainty about the effect of pending LAFTA and Andean marketing agreements.

The Chilean businessman has learned to live with these problems and for the most part the economy is active and expanding.

Mineral chemicals have played an important role in the economic development of Chile. The country has traditionally been the world's number one producer of natural sodium and potassium nitrates and iodine. For many years these materials were the country's principal generators of foreign exchange.

Natural nitrate consumption outside Chile is on the decline but new interest is being focused on the recovery of other mineral chemicals including borax, sodium sulfate, potassium perchlorate and magnesium sulfate.

The petroleum refining industry is well developed and is meeting all of the country's basic requirements for refined products except lubricating oils and some fuel products. The production of crude oil has not kept pace with refinery requirements, however, and the prospect is for sharply increasing imports of oil to meet the deficit.

A large new petrochemical industry is under development. The first stage of this program is an ethylene-based complex with an investment of approximately $55 million. Other stages include an acetaldehyde complex and a nitrogen complex. A total investment in the primary petrochemical plants of some $140 million is expected to be met approximately half by Chilean entities and half by foreign investors.

The secondary industry, which converts the primary petrochemical products into industrial and consumer items, is already well established in Chile. There are a large number of plastics and paint manufacturers with efficient plants in operation.

However, this industry will need to make substantial new investments to take full advantage of the volume of raw material that will become available, and capital for this expansion is severely limited. This area, especially, will provide many opportunities for the sale of U.S. technology and for investments on a joint venture basis.

The general chemical industry, other than mineral chemicals, is broadly based but relatively small, and is not expected to grow as rapidly as other sectors of the industry, at least in the near term.

The manufactured fertilizer and agricultural chemical field is very new and very small but promises to develop rapidly into one of the country's important industries. This should open up many new trade and investment opportunities for U.S. business.

Although the country has immense possibilities for growing pulp wood, the pulp and paper industry is largely limited to one major producer of chemical pulp for the domestic needs and one supplier of mechanical pulp for newsprint. Plans are under way for a second pulp mill and there is talk of a third.

The exploration, production and refining of oil and gas is carried out exclusively by the State oil company, ENAP (Em-

### the author

*In August, 1967, Barrett Duff established his own business as international consultant in San Marino, Calif., the bulk of his activities being devoted to trade with and industrial development in Latin America. Previously he worked for 14 years with the Fluor Corp. Ltd., of Los Angeles, a company engaged primarily in providing engineering and construction services to the chemical industry. Spanish speaking Mr. Duff holds a master's degree in chemical engineering from the Massachusetts Institute of Technology. He did graduate work at the University of California's Graduate School of Business Administration and New York University's Graduate School of Economics.*

AUTHOR OF THIS REPORT Barrett S. Duff (l.) visits formaldehyde plant at Concon, Chile, with Victor Ramers of COIA, a W. R. Grace subsidiary.

presa Nacional del Petróleo). Production of crude oil rose steadily between 1950 and 1964, largely meeting domestic requirements. Since 1964, significant new reserves have not been found and crude production has leveled off to an almost constant 36,000 barrels per day, including gas condensate, whereas domestic crude requirements have risen to a current rate of 74,000 barrels per day.

The prospect for an improved domestic oil supply is not encouraging. The new oil reserves are in the isolated far south of Chile, in Magallanes province, with perhaps half of the reserves on the island of Tierra del Fuego. Production and transportation to the refineries in the central zone of the country is difficult and expensive.

An extensive search for oil in other parts of Chile has been fruitless to date, although selected areas are being explored more intensely. An off-shore seismic survey was completed in April 1967 and indicated some prospective areas for exploration on the continental shelf south of Concepción.

The forecast requirement for imported crude is about 50,000 barrels per day for 1970 and 85,000 barrels per day for 1975. In view of this predicted sharp increase and the expiration of the present crude supply contract at the end of 1969, ENAP has initiated studies to determine the best sources of imported crudes. Venezuelan, Colombian, and Middle Eastern crudes are under consideration.

New harbor and terminal facilities will probably be installed at Quintero Bay near Concón to accommodate supertankers. Refinery modification and expansions will be designed to permit the use of imported crudes of considerably higher sulfur content than the Chilean crude oils, which contain only traces of sulfur.

Natural gas is found in the Magallanes area, both in association with oil and in separate fields. At present most of the gas is reinjected into the fields. In 1967 a temporary gas pipeline was placed in service between the gas fields north of the Straits of Magallanes and the city of Punta Arenas. This line serves an electric power plant and several light industries at Punta Arenas with a maximum volume of 100,000 cubic feet per day of gas.

In the future a permanent high pressure line will be installed between the Posesión field and Punta Arenas to serve the city and the new petrochemical nitrogen complex planned for that area.

LPG and natural gasoline is recovered from the recycled gas in two processing plants on the island of Tierra del Fuego.

Engineering work was recently started by the Fluor Corporation on a large turboexpander absorption plant to be located near the Posesión field and a fractionating plant near Punta Arenas. Light hydrocarbons recovered at Posesión will be piped in a new line to Punta Arenas where propane, butane, natural gasoline, and eventually ethane will be recovered and stored.

Chile's first petroleum refinery was built by ENAP at Concón in 1954 with a designed capacity of 20,000 barrels per day. A major expansion in 1959 brought the present capacity to 54,000 barrels of crude oil feed per day. A second refinery with a designed capacity of 36,000 barrels per day was placed in operation in December 1966 at Concepción.

Each refinery contains a catalytic cracking unit and other modern refining processes to permit the production of regular and premium grades of motor gasoline, aviation gasoline, diesel fuel, kerosene, LPG and distillate and residual fuel oils.

ENAP plans to add a 24,000-barrel per day atmospheric crude distillation unit at the Concepción refinery for operation by the end of 1969. A subsequent modification is planned to add additional heater capacity at Concepción to bring the total crude capacity of the refinery to about 72,000 barrels per day and at the same time to replace critical components with high alloys to permit the use of high sulfur crudes.

A planned expansion of the Concón refinery in 1972-73 will increase the capacity to 110,000 barrels per day, twice the present capacity. This expansion may include a hydrocracker and other advanced refining techniques. A lube oil plant with a capacity of about 50,000 tons per year is also being studied for Concón.

## Petrochemicals

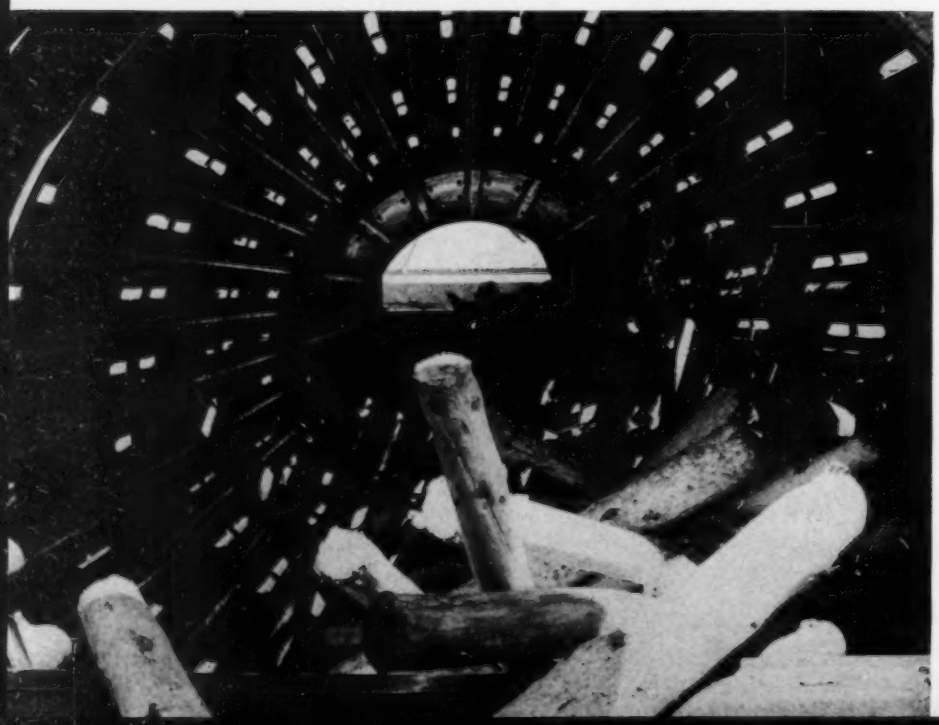
The formation in 1966 of the autonomous State company Petroquímica Chilena marked the formal inauguration of an ambitious government program to develop a national petrochemical industry. The first major objective of Petroquímica Chilena is the development of an ethylene based complex at Concepción. To support this complex ENAP is installing a 60,000-metric-ton-per-year ethylene plant which is expected to start operations around October 1969, and Petroquímica Chilena is installing an electrolytic chlorine-caustic plant with an annual capacity of 33,000 metric tons of chlorine with start-up scheduled for the end of 1969.

Petroquímica Dow, a joint venture between Petroquímica Chilena and Dow Chemical Co., is planning to build three major units of the ethylene complex: a 20,000-metric-ton-per-year high pressure polyethylene unit; an 18,000-metric-ton-per-year vinyl chloride monomer unit; and a 15,000-metric-ton-per-year polyvinyl chloride unit.

With an initial equity of 70% in the project, Dow will furnish the technical know-how for the design and operation of the plants.

A second ethylene-based complex at Concepción will include acetaldehyde and several derivates and will require an investment of approximately $30 million.

AT CHEMICAL PULP PLANT in Loja, revolving drums remove most of pine bark. (World Bank photo)



Petroquímica Chilena plans to install the 50,000-metric-ton-per-year acetaldehyde plant and the 20,000-ton-per-year acetic acid unit. Plants for the production of vinyl acetate monomer and higher alcohols will be built on a joint venture basis, with private firms having the majority interest and Petroquímica Chilena a minority interest.

An alternative to the 50,000-ton-per-year acetaldehyde plant is a 30,000-ton-per-year plant plus an oxyalcohol plant using propylene as the feed stock. Petroquímica Chilena hopes to firm up these decisions as well as the joint venture partners in time to start production in the acetaldehyde complex in 1970.

Other possibilities under study for the Concepción complex include polypropylene, butadiene, and acetic anhydride. Approximately 50,000 metric tons per year of propylene and 15,000 tons per year of butadiene will be available from the ethylene plant. In addition, over 100,000 tons per year of pyrolysis gasoline will be available for processing for aromatics recovery. The processing of this pyrolysis gasoline could possibly be combined with the aromatic oils produced in the adjacent coke ovens operated by the steel company, CAP.

The status of a planned aromatic complex in conjunction with ENAP's refinery at Concón is unclear at the present time due to pending negotiations with other countries of the Andean sub-region. The complex as planned would include the recovery of benzene, ortho and para xylenes. Derivative plants would include phthalic anhydride, cyclohexane, and dodecyl benzene.

It is possible that the dodecyl benzene plant will be installed at Concepción in any event, using benzene from the ethylene plant and from the coke ovens.

A secondary industry utilizing basic petrochemical feed stocks is already well established in Chile. This industry will probably undergo considerable expansion as domestic feedstocks and feedstocks of LAFTA origin become available to replace the current imports. There are some 125 plastics converters in Chile, of which 30-35 have a substantial production of industrial and consumer products.

If the planned investment of over $100 million in basic petrochemical facilities is realized, it is probable that the secondary industry will invest a similar amount within a five-year period.

Petroquímica Chilena is interested in promoting a major ammonia-urea complex at Punta Arenas. It is proposed that this facility would produce 1000 metric tons per day of anhydrous ammonia and 1000 tons per day of urea. Since only a small part of this production could be used in Chile, Petroquímica Chilena is looking for a partner to help market the major part in the world market.

The advantages of the Punta Arenas location include ready access to both the Atlantic and Pacific oceans, plentiful reserves of natural gas, and favorable tax concessions.

Chile's traditional orientation toward the promotion of its large natural nitrate deposits has impeded the use of manufactured fertilizers. However, governmental pressure to increase agricultural production has finally succeeded in breaking the barrier and within the past three years imports of manufactured fertilizers have increased sharply. This sector is expected to continue to grow rapidly, both in imports of basic and finished materials as well as in the development of a domestic industry.

Two plants in the country manufacture superphosphate, using phosphate rock imported from North Africa. One of these plants operated by Cía. Sudamericana de Fosfatos at Penco near Concepción recently installed a phosphoric acid unit for the production of triple superphosfate. The availability of substantial quantities of low cost sulfuric acid from facilities now being installed by the copper companies will undoubtedly accelerate the growth of the phosphate industry. Since significant commercial deposits of phosphate have not been found in Chile it is expected that the country will depend on increasing imports of primary phosphate from Africa, the United States and possibly other Latin American countries.

## Market profile—Chile

**Area:** 286,396 square miles, slightly smaller than California, Oregon and Washington State combined; seventh largest Latin American country.

**Population:** 9.3 million (1967); 2.4% annual growth rate. Population mainly urban and concentrated in central Chile.

**Currency:** Escudo. In May 1968, bankers' rate was 6.60 escudos per dollar; brokers' rate, 7.65 escudos per dollar; bankers' rate is applicable to trade transactions; brokers' rate to many capital transactions and to those of tourists.

**Gross national product:** About $6 billion in 1966; per capita income, about $500.

**Agriculture:** Main products: wheat, barley, oats, rye, potatoes, sugar beets, rice, corn, beans, lentils, chickpeas, onions and garlic.

**Industry:** Foodstuffs, textiles, fish products, pulp and paper, copper refining, iron and steel, petroleum products, automobiles, chemicals, many others.

**Mining:** A world leading source of copper, crude iodine and nitrates. Among its other minerals are iron ore, coal, petroleum, molybdenum, various chemical materials, uranium.

**Transportation:** 5,200 miles of Government railroads provide public services; 1,200 miles of private railroads generally serve specific industries. Major highway construction is proceeding. Air travel and port facilities.

**Power:** Total installed capacity exceeded 1.45 million kw. in 1965; substantial development underway.

**Exports** (1966): $880.7 million. Major markets: United States, 24.7%; United Kingdom, 15%; Netherlands, 13.1%. Chief exports: Copper, copper manufactures, iron ore, fishmeal, nitrates, paper pulp and newsprint, fresh fruits, wool.

**Imports** (1966): $756.8 million. Principal suppliers: United States, 39.4%; Latin American Free Trade Association, 22.7%; Federal Republic of Germany, 13.1%. Chief imports: Machinery, automotive vehicles, chemicals, artificial fertilizers, cattle, wheat, sugar, cotton, petroleum, petroleum products.

**Trade policy:** Direct controls protect domestic industries and foreign exchange reserves. Most consumer goods prohibited; but many capital goods, parts, semi-finished, and agricultural products are imported. Member of LAFTA, the subregional Andean Common Market, and GATT.

# Chilean prospects encouraging despite problems; export growth will help pay for rising imports

## Members impressed by caliber of Chilean businessmen; chronic inflation, balance of payments are top worries

By OSMOND A. JACKSON
*Consultant, Fed. of Rocky Mountain States, Inc., Denver*

Despite problems of continuing inflation, recurring balance-of-payments difficulties and preoccupation with politics which tends to divert attention from economic development, the Mission was impressed by Chile's potential. This outlook is based on the nation's very rich endowment of natural resources, the significant growth of its foreign trade, the high caliber of its human resources and the country's tradition of respect for democratic institutions.

### Expansion planned

Probably the most significant development in Chile's economy during recent years is the joint effort of the copper mining companies and the Chilean Government to undertake large investments aimed at doubling the output of copper, and tripling refining capacity by 1971. A total of about $520 million is being invested, with slightly over $200 million in the form of Export-Import loans.

The copper expansion program has, of course, already received extensive publicity and has overshadowed developments in other industries. But there are major development projects in process or in the planning stage in the fields of agricultural food processing, petrochemicals, pulp and paper, sea food and fresh fruits.

An expansion of these industries may very well contribute importantly to increasing Chile's exports and thereby help to provide badly needed foreign exchange resources. This in turn would expand Chile's import purchasing power and open up further opportunities for U.S. suppliers.

Many of the interviews which the members of the Mission had with Chilean manufacturers suggested opportunities for joint licensing and manufacturing equity investments in order to expand productive capacity. We were impressed in many instances by the manifestly high caliber of the Chilean businessman. The Chilean people are generally well educated with a high rate of literacy and they respond quickly to technical training, giving further justification for believing that investments in Chile should be considered on a selective basis.

Chile has a history of inflationary problems going back some eight decades. In 1967 the cost of living increased by 21.9% over the preceding year and is expected to rise by 30-35% this year. Strikes and labor problems will probably continue to be an important factor in causing inflationary pressures.

Additional problem areas concern the controversial Agrarian Reform Law and the political uncertainties related to the upcoming Congressional and Presidential elections in 1969 and 1970, respectively. These problems should not be brushed over lightly, but they are characteristic of those faced by developing nations.

The Banco Central of Chile is at the head of the Chilean banking system. It is the bank of issue and makes available rediscount facilities for other banks, all of whom are under the supervision and control of the Superintendency of Banks. The Banco Central administers all funds loaned to the Government. It fixes the rates for loans every six months (presently 19.93%). The actual interest rate paid on commercial bank loans, however, is around 30% since the borrower must pay various additional taxes and fees.

### Lines of credit

The Banco del Estado de Chile is the next institution of importance, since it is the sole bank for savings. It is fully owned by the Government and extends credits for industrial, agricultural and commercial development in Chile. This bank has substantial lines of credit from overseas banks, including some in the U.S., which are used in its operations.

In the private banking sector there are about ten important institutions, four of which are foreign owned, including two U.S. banks.

Banks are not allowed to pay interest on any deposits left with them for less than 31 days. After that the rate is between 12-18% depending on the period.

Banks have to carry reserves of 75%

**SANTIAGO IS HOME BASE for many Chilean businesses, financial institutions. Banks do not pay interest on deposits left less than 31 days (an estimated 70% of all deposits); after that, rate varies.**

against any increase in deposits in excess of those held subsequent to December 1966.

The fact that a high percentage (as much as 70%) of the deposits of most banks are for less than 31 days makes it possible to operate profitably since they do not pay interest on this portion.

The Corporacion de Fomento is a finance arm of the Government which receives direct credits from overseas banks. This organization is actively engaged in industrial development projects and is administered by a select group of private financial authorities as well as representatives of the Banco Central.

One interesting fact is that the commercial banks all take in foreign currency deposits, subject to report and use in connection with export-import transactions. Interest at 7½% is paid on U.S. dollar time deposits. It has been estimated that about $35 million in foreign currencies is on deposit in these banks.

ADELA Investment Co., S. A. is a multinational private investment company established in September 1964 with an authorized capital of $40 million almost entirely paid in. It operates in Latin America in 17 countries, making loans and equity participations in private enterprises. ADELA's loaning rate is presently 9½% and equity participations range from 15%-30%. The head office is in Lima, Peru, but there is a representative in Santiago where discussions and negotiations may be conducted.

There appears to be a feeling in many quarters that the LAFTA program, although worthy in principle, has not shown much signs of progress. One reason for this feeling may well be due to the great differences in economic status that exist among its members. Argentina, Brazil, and Mexico are described as the "Three Giants" and they seem to dominate as far as trading advantages are concerned.

Chile finds it more comfortable to direct its attention in many cases to the Andean countries, all of whom are at a relatively more equal level in the development stage and have complementary economies.

### the author

*Osmond Jackson currently serves as an export consultant for the Federation of Rocky Mountain States, an association of seven western states interested in expanding exports and tourism. In this work, Jackson is aided by a 37-year experience in international banking and trade, becoming Vice President in charge of International Operations at the Continental Illinois Bank & Trust Company of Chicago.*

MISSION REPORT: EQUIPMENT

# Modernization in Chile strengthens market for industrial machinery

## Demand is growing not only in country's traditional activities but in newer operations such as processing and packaging

By CHARLES V. O'HARA

*O'Hara Metal Products Co., San Francisco, Calif.*

Chile offers a significant and active market for a broad range of industrial equipment—not only for such traditional users as public works and mining, but also for farming, food processing, and packaging; medical and scientific devices and apparatus; marine hardware, and fire-fighting equipment.

Demand for these and other types of machinery is growing as many local industries modernize their facilities in order to expand sales to nations of the Latin American Free Trade Association and the subregional Andean group.

In addition to demonstrating an avid interest in U.S. equipment, Chilean businessmen submitted a number of proposals for licensing and joint ventures with potential U.S. investors —especially in food processing and packaging. Also, there were numerous proposals to manufacture food-processing machines, mining equipment, material handling devices, building materials, glass products, and other goods.

### Payment terms

In selling to Chile, U.S. exporters should pay particular attention to terms of payment and to correspondence with Chilean firms. Exporters should endeavor to extend as flexible and as long terms as possible—an especially important point considering the long terms (sometimes ranging from five to eight years) which the Chilean Central Bank frequently requires prior to issuing license to import capital goods.

Further, as credit is extremely tight in this market a potential sale may very well depend on whether the U.S. supplier can extend terms competitive with those offered by suppliers in other countries. The problem of credit is particularly important for many small firms which could become customers if suppliers gave favorable consideration to their credit needs.

With respect to correspondence, prompt replies, preferably in the Spanish language, are highly important. A number of Chilean firms seeking contacts with U.S. suppliers said they had not received replies or acknowledgements to their inquiries. Also, many companies in Chile tend to buy the brand of equipment with which they have become familiar. Thus, prompt attention to inquiries could result in new sales which would have a multiplying effect in the future.

MISSION MEMBERS O'HARA (l.) AND TOLER catch their breath at the U.S. Embassy in Santiago before heading into another round of business interviews and plant visits. Mr. Toler's article, describing the response of the Chilean business community to the Mission, appears on page 8.

# Chile's fertile Central Valley points to country's potential as net exporter of farm products

## Development of nation's rich agricultural resources has lagged because of emphasis on industrialization

By ANTHONY M. SWARTZ
*Keebler Co., Philadelphia*

Just as Chile's El Teniente—the world's largest underground copper mine—symbolizes the country's copper based economy, her vast Central Valley symbolizes the outstanding agricultural potential of the world's narrowest and longest country.

This fertile valley is the only area in Latin America with a climate almost identical to California's Imperial Valley, widely considered the richest agribusiness area on earth.

Chile has yet to take from its Central Valley what the Valley is capable of producing, however—probably because for many years agriculture has been relegated behind "King Copper" and industrialization.

Basically, Chile is an agricultural country and its rich natural resources, properly developed, could permit greater diversification of its exports, thus freeing the country from over-dependence on frequently fluctuating world copper prices.

### Losing ground

American food processing equipment, in general, has been losing ground to European competition due to lower prices and longer credit terms. Essentially, Chilean industry is buying time more than suitable machinery. The average Chilean businessman feels U.S. equipment is of better quality and requires less maintenance. Some prospective customers would like to consider our used or rebuilt guaranteed units but these are frequently prohibited by decree.

A $23 million agricultural loan was recently granted to Chile by the U.S. Government for the express purpose of bringing in vital fertilizers and farm machinery. It comes at a critical time when Chile needs considerable assistance in adjusting present agribusiness downward trends.

While Chile has the potential to become a net exporter of agricultural products, it is at present a large net importer, incurring a substantial deficit on its agriculture trade. Food imports in 1967 amounted to about $200 million, while agricultural exports totaled only about $50 million.

The major part of this imbalance was due to large imports of wheat, cotton, meat, and sugar. For example, about 1.2 million metric tons of wheat are produced annually but 1.7 million metric tons consumed. In 1968, indications are that about 500,000 metric tons will be imported.

Fertilizers, pesticides, better seeds, and other inputs could improve output, particularly in the south where badly eroded land is deficient in phosphates and nitrogen. Proper application of these ingredients could double production.

For many years, the nation assigned primacy to the need for industrialization and its rich agricultural resources were to a significant extent neglected. Heavy emphasis on development resulted in inflationary pressures. In an effort to abate political pressures, prices of basic agricultural products have been held artificially low, and as a result, investments in agriculture have stagnated.

Thirty percent of this country's nine million people are engaged in agriculture, which accounts for 10% of the gross national product. The present administration has launched a program to spur such development.

The plan permits agricultural prices to increase at a greater rate than the general price level and thus encourage agri-production. It also provides for government importation of such vital agricultural inputs as fertilizers, pesticides, weed killers, and farm machinery; duty-free food zones to the North and South of the country; price subsidies on certain necessary prime products such as oil, sugar, seeds, fertilizers, to alleviate scarcities and prevent excessive price increases; an incentive system to promote Chilean exports; support prices for agricultural products at farm level; rail freight subsidy/rebate systems on various agricultural inputs; an increased budget for CORFO's (Corporación de Fomento de la Producción, Chile's government development board) agriculture program that includes livestock, grains, fruits and vegetables, poultry, dairy, swine, soil rehabilitation, and mechanization with related emphasis on storage facilities, roads, irrigation, and rural electrification.

Chile's new Agrarian Reform Law that went into effect on July 16, 1967, has become controversial and appears to have created concern on the part of efficient commercial producers that could discourage private investment in this vital sector. While there appears to be general agreement on the need for agrarian reform, it is clear that there is a need for better communication and understanding between agribusiness interests and the government on the mutual objectives and needs of such reform.

### Technology needed

A more important need, however, is technology in all phases. Quality must begin on the farm or at the inception of a commodity. True grading standards, applied to product or packaging, are lagging. Quality control standards for industry seem to be set by university laboratories rather than by commodity trade association groups. While there are exceptions, there is a general need for improved package design, uniformity in product display, and standardization of retail pack units. Coordinated sales, marketing, and distribution programs are implemented by only a few.

Finally, the necessity of developing export markets to increase production volume and lower individual unit costs are not being fully realized.

During conferences with the canning industry it was learned, for example, that lacquered, electrolytic tinplate of standard gage is imported when such products as fruits, vegetables, or fish are destined for export. Locally produced tinplate is unnecessarily of heavier gage and not lacquered but is used for domestic products. This has meant costly separate production, packaging, and labeling procedures. Standardization for both local and export market needs would reduce production, packaging, and inventory costs. The situation is gradually being corrected by changing over to export

standards with the availability of improved local tinplate production.

The same industry association is considering a laboratory for establishing their own quality control and grading standards, an institutional advertising program, and participation of their association in major European food processing or agricultural exhibitions as a means of developing a limited, long-range export marketing program. Investigations are also under way on the creation of a single, private label for the association group as a cooperative export marketing effort.

## Supermarkets there

Chile has two modern, major supermarket chains. UNICOOP, a consumer co-op of 22,000 members who are served through nine supermarkets, with two more under construction. UNICOOP has been making an annual rebate of 3½% to its members. The other chain is ALMAC, structured like the average U.S. incorporated chain with seven stores, and two additional units being built. Both chains are modern in layout and operate like their U.S. counterparts. Products on the shelves are limited in variety and in unit sizes. Ninety percent of the items are locally produced.

The average assortment of food and nonfood products is good; but both chains have common problems. The most pressing need is for modern meat and produce retail packaging equipment. UNICOOP now has a central distribution warehouse center from which this type of operation is handled. But, until recently, retail fruits, vegetables, meats and sugar were packed at individual store level, as ALMAC must still do. Packaging costs, product losses, distribution factors, and other inefficiencies are high as a result of obsolete methods. Steps are under way to correct these situations, primarily by the purchase of new equipment and reallocation of suitable storage areas.

Since August 1965, the Chilean Government has permitted the sale of beef or veal only on Fridays or Saturdays of each week, and ordered suspension of cattle slaughter for several 15-day periods during the year, to encourage consumption of other meats and fish. Meat imports have hit new highs running at $27 million, and are expected to be as high as $35 million in 1968.

The province of Magallanes is one of the few areas in the world free from the dread hoof-and-mouth disease—along with the United States, Canada, Australia, and New Zealand. Pastures look rough, but the grasses are nutritious.

Further south is one of the largest cattle raising ranches in the world. If this entire southern area could be developed under proper technological direction, production could easily meet local consumption needs, as well as permit eventual development of limited exports.

MISSION MEMBER Anthony M. Swartz, author of this report, visited food processing plant near Valparaiso. Chile is trying to replace imports of food products with exports, to help alleviate trade deficit.

Another program carrying good potentials is refinement of the fish meal industry projects for human consumption. Fish meal is still basically the highest protein source in the world available in substantial quantities. It now constitutes the bulk of Chile's seafood industry exports, followed by frozen shrimp, tuna and bonito. Chile, producing 150,000 tons annually, ranks fourth among the six major fish meal exporting countries around the world. At present it exports a "full meal" fishmeal which is used as animal feed. The high cost of deflavoring, bleaching, and deodorizing fishmeal has thus far been the limiting factor in production for human consumption.

A pilot plant to produce FPC (fish protein concentrate) is scheduled to be set-up near northern California to serve as a prototype producer of a white fish high-protein concentrate that is chemically neutral, tasteless, can be easily flavored, and is specifically for human consumption. Chile is scheduled to receive a small, older experimental pilot plant shortly from the United States. Food experts around the world feel that FPC may be one of the key developments which could help resolve the world food problem arising from the population explosion.

Another source of high protein abundantly available in Chile is sunflower seed, currently being cultivated in quantity. It is relatively low in cost, and offers a basic protein level of 44%, which is adjustable through laboratory processing to 90%.

Chile's food distribution costs are high and modernization is required if the processing industry is to reduce internal costs and compete effectively in export markets.

An interesting concept calling for an agribusiness consortium was discussed with leading industry and U.S. Embassy officials: To utilize the volume purchase capacity and direct distribution systems of supermarket chains to bring about well packaged quality foods at lower prices to low income areas. While the project is strictly at the discussion stage, it apparently has the interest of important groups, but would require implementation by a major food company and a supermarket chain capable of providing the necessary know-how. This project could be supported by full U.S. guaranties through AID programs on the equity invested.

A food system modeled after U.S. chains would provide a ready market for U.S. equipment and supplies, as well as extended management contracts which would give a fixed return in investment.

No report on Chile would be complete without mention of excellent wines. Chilean vineyards have been quite active in marketing their products overseas, particularly in the United States and Europe; but their full capacity has not been realized.

Despite negative factors that exist in the Chilean market today, distinct business opportunities are available to the alert American exporter or investor who is astute enough to evaluate them by implementing a technical know-how program and then considering the long-range investment opportunities.

INTERNATIONAL AIRPORT, Santiago, is gateway to Chile's tourist attractions. Beach resorts such as Vina del Mar, skiing and fishing country, and the Easter Islands are among the things that attract visitors.

MISSION REPORT: TOURISM

# New jets will bring Chile's varied attractions within range of U.S. tourists; investment outlook good

## Mission members hear proposal to attract retired U.S. citizens; California-like climate, great range of resorts enhance appeal

By ANTHONY M. SWARTZ

There is a great range of geography, scenery and climate in Chile, the world's longest and narrowest country.

There is no doubt that Chile holds an extremely high potential for tourism development at all levels because of its varied climate and natural facilities. Sports lovers, for example, can enjoy more activities during most of the year in Chile than almost anywhere else, including horse racing, soccer, and excellent facilities for tennis, golf and swimming.

In the extreme north, and representing one-quarter of the country, is a land area as arid as any desert in the world. The southern portion of the country, on the other hand, is made up of inlets, canals, peninsulas and fjords, as well as islands of all sizes with an average rainfall exceeding 100 inches per year.

Between the arid north and the aquatic south lies the most populated area of Chile, the fertile Central Valley, flanked on the east by the Andes and on the west by the lower coastal range. But in this unique California-like country, tourism has not fully developed, perhaps because of its distance from the United States.

Right within the capital city of Santiago, there are two small mountains rising nearly 1200 feet above the city and forming two of its most distinctive landmarks. One is Cerro San Cristobal, the other Santa Lucia Park, both with a panorama of the downtown area viewed from lovely terraced gardens and parks with statues at their summits.

Most of the major seacoast cities enjoy a good mild climate with sandy beaches and sunshine virtually guaranteed throughout the year.

There are smaller, developed beach resorts extending north and south, especially those in the Vina del Mar area. All of these resorts are about 100 miles from Santiago, and easily accessible by car, bus or railroad. The best known and fashionable of all the resorts is Vina del Mar (the twin city of Valparaiso) with its gambling casino and fine hotels.

There are also excellent beaches north of Valparaiso, but these presently lack the facilities of the more popular resorts. For this reason, they are less crowded and have excellent development potential.

Arica, a free port in the extreme north of the country, is known as the "City of Eternal Spring", and enjoys great popularity when the rest of the country is in the midst of winter.

In the summer, the resorts in the lake area about 500 miles south of Santiago become popular. This region is known as the Switzerland of South America and in addition to being a trout fisherman's paradise, has some of the most magnificent scenery on the continent. Again, hotel accommodations are extremely limited and therefore quite expensive throughout the year. The area has been periodically visited by some of the better known European heads of state.

Chile has acquired the reputation of being the continent's skiing paradise. There is superior skiing in the nearby Andes during a season that lasts from June through October and frequently into November. Within a short distance of Santiago there are a wide range of slopes and several resorts, such as Farellones, Portillo, La Parva and Lagunillas.

Comfortable accommodations are available, but the nearness of Farellones to Santiago, for example, has never been properly developed and because of Chile's seasonal differences could offer excellent skiing facilities and accommodations during our spring-summer period. Farther south there are a number of other ski areas that could provide skiing throughout the year with the proper development.

Some major islands off the coast belong to Chile. Perhaps the most famous is Easter Island which has been Chilean since 1888, with its Polynesian natives and gigantic mysterious stone monuments and carvings of unknown sources. Plans are presently underway to develop the natural fishing resources of Easter Island and its excellent beaches. This, however, is a long-range project.

One conference produced a proposal by a Chilean banker to attract retired U.S. personnel from California under a program that would grant special privileges ranging from duty free transfer of personal belongings into the country, construction of suitable housing in such out-

standing resort locations as Vina del Mar, as well as establishing a special air fare rate from the West Coast of the United States into Santiago. Because of the similarity of Chile's climate to that of California, such an idea could have considerable appeal to the residents of that state, particularly if their movements would be facilitated through special arrangements of the type described, and relatives could visit them without any degree of difficulty.

Chilean wines are world famous and the major vineyards have set-up interesting tours of their facilities or 'fundos' that are worth seeing. In the cattle raising areas, the 'huasos', or cowboys, give a colorful aspect to the imposing countryside.

Within two years the new Boeing 747 jets will be flying between 390 to 400 people at reduced air fare rates and seeking new tourism areas. For Chile there will be particular need for medium-cost hotel accommodations and related services strategically placed near the varied attractions of this land.

Feasibility studies are presently underway to determine the best areas of tourism investment. Full guarantees of investment and profit transfers are being discussed, and there are some local major investors interested in joint venture possibilities with U.S. companies in the tourism field.

Hotel chains such as Hilton, Intercontinental and Sheraton are now also taking a long, second look at Chile and at the same time considering the need for new tourism horizons when the big jets begin ranging into South America. Two years away is a very short time, and the decisions to get in on the ground floor of Chile's tourism expansion should be taken now.

### the author

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# Chile's auto industry, limited by small market, looks to LAFTA

## Complementation accords would allow specialization in certain types of vehicles or parts, provide economies of scale

By ROBERT A. SLENES
*Marquette Corp., Minneapolis*

With a population of about nine million and a per capita income of about $500, it is difficult for Chile to sustain the relatively large numbers of automotive assemblers now in business. For this reason, the Chilean Government looks to the consolidation of the industry and to complementation agreements under the Latin American Free Trade Association (LAFTA) and the subregional Andean common market (Chile, Colombia, Peru, Bolivia, Ecuador and Venezuela).

Complementation agreements would enable Chile to specialize in the manufacture of certain types of vehicles or parts required by other countries which are parties to the agreements. These countries would remove their tariffs and other trade barriers on such items. This would help the Chilean automotive industry expand production and cut unit costs.

### Would benefit

The Chilean automotive industry would benefit through access to the markets of all the member countries and thus be in a position to achieve economies of scale that could permit the industry to reduce costs and achieve greater efficiency. In turn Chile would offer similar advantages to the other member countries for items it acquired from them.

Planning in the automotive field is carried out by the automotive section of CORFO (the Chilean Government's National Development Corporation). CORFO is studying the possibilities of entering into agreements with members of the LAFTA/Andean Group in order to take advantage of economies of scale.

Administrative problems militate against both government and private efforts at integration and complementation, but progress is evident. A turnover tax of 7% applies each time a sub-contract is completed. This tax does not apply in the free port of Arica, of course, nor does it apply in Central Chile if the contractor holds at least a 10% share in the sub-contracting firm.

A system of decree authorization governs the establishment of each new manufacturing operation, with a schedule of components for immediate and future production. This system of authorizing each new enterprise seeks to conserve resources and to restrict wasteful duplication in these manufacturing operations.

In determining percentage of 'national product' content, Chile uses U.S. cost as a rule-of-thumb in authorizing new establishments to produce parts and components. Actual average cost of production is claimed by trade sources to be almost twice the U.S. cost.

There were 22 different makes of vehicles assembled in 1957. By 1967 the number had declined to 11. This process will undoubtedly continue.

Official estimates of production of 30,000 passenger vehicles in 1968 are considered over-optimistic by trade sources, who feel that the economy at this time cannot absorb that number of new vehicles. Planning continues, however, and the increasing technological changes in smaller plants have brought about investigation into the metallurgy and possible production of special-alloy steels for manufacture of transmission gear cases, and eventually rear axles and differentials.

In general, projections on future markets for new vehicles indicate that design characteristics of automobiles will be essentially more European than American, according to informal comment by some officials and trade sources. The Cortina and Taunus in the Ford line, for example, could replace the Falcon, or the General Motors Opel could be in greater demand than the Chevy II. Road conditions and differences in suspension design are given as reasons.

Much progress is being made in the development of quality control, according to both private sector and CORFO officials. As technological progress is brought in

**INFORMAL CONTACTS** can be as rewarding as scheduled interviews. Mission member Slenes (c.), author of this article, is joined by Barrett Duff (l.) in a stimulating trade talk with a Santiago businessman.

through industry licensing agreements and joint venture investments, industry standards are steadily being improved. This process is further encouraged and advanced by the complementation process, whereby international quality standards for export purposes must be developed and adhered to.

We visited both large—by Chilean scale—and small plants whose major lines are automotive parts and accessories.

One of the most modern plant facilities is the CARS Rockwell-Standard plant (Componentes Automotrices Rockwell Standard y Cia. Ltda.), which manufactures brake drums and automotive springs, both flat and coil types. Reportedly the only plant of its kind, with the latest in spring testing and quality control equipment, its joint U.S.-Chilean owners hope to begin contributing to the complementation process by exporting automotive springs, particularly to Mexico at first, where coil springs are not manufactured, in exchange for automotive engines and other components. CARS y Cia., Ltda., plans to manufacture carburetors, fuel pumps, forgings for crank cases and other parts, laminated windshields, pistons, radiators, and electric components such as starter motors, voltage regulators and spark plugs.

A small plastic-molding plant for automotive, radio and TV parts, Industrias PBG, with joint Chilean-Argentine capital and know-how, presents another interesting example of progress in integration and complementation. This same plant also manufactures automotive electro-mechanical items, such as door and light switches, heater switches, courtesy light switches, fuse boxes, water valves for heaters, heater motors, and windshield-wiper motors.

In view of the limited production involved for only the Chilean market, the firm's production costs are relatively high. But with the shelter provided by the CORFO decree system, the restriction of competing imports and the developing Andean and LAFTA common markets, such operations represent an opportunity for Chilean and foreign investors to eventually reduce costs and increase profits.

Under its LAFTA policy Chile accepts automotive parts manufactured in other LAFTA nations in return for their acceptance of Chilean-made parts of comparable value. No money is exchanged. Parts coming from LAFTA countries are considered as Chilean for assembly purposes.

Currently Argentina supplies practically all of Chile's needs under this interexchange, with one exception. The Mexican firm of Automax—34% owned by Chrysler International—supplied their Chilean representatives with 888 Dodge Dart motors in 1967, and 1200 more are due to be shipped to Chile in 1968.

Panels, fenders, brackets, bumpers and other pressed parts are the specialty of another plant in the production of automotive components, which until last year produced deep-draw items such as pots and pans, and domestic LP heaters, gas stoves and LP gas tanks.

This firm plans to produce gasoline tanks for cars and trucks in the near future, as well as die cast parts, thus further diversifying their output. In the process they seek additional manufacturing licenses and technical assistance from abroad and would consider joint venture capital investment by such licensors.

Known as "Auto Piezas y Portes", automotive division of Ferriloza, S.A., its management offers more than 30 years of experience in metal-working and stamping. Its management and production personnel have experience in the automotive industry in the United States and in other countries of Latin America.

These are only a few of the firms whose plants Mission members toured or whose representatives visited the U.S. Commerce Department's Business Information Center. Many further opportunities for export of U.S. parts and accessories are available through local agents and distributors who also submitted business proposals, which appear in the World Trade Opportunities section of this issue.

Parts and accessories for older model vehicles are much in demand, and replacement parts for taxis may be imported without prior deposit, provided special arrangements are made. Parts for tractors require 100% prior deposit of the c.i.f. value, and motorized vehicles 200%, unless special arrangements are made through the Ministerio de Economia, Fomento y Reconstruccion. For materials handling vehicles, a prior deposit of 50% is stipulated, and parts for some may be imported at 20% or 10% depending upon classification. By the time of publication of this article, however, these figures may be outdated.

It should also be noted that prior deposit requirements, which range from 0% to 10,000%, should not be confused with the specific and/or ad valorem duties which are additional to the merchandise deposits.

Delays in delivery of parts and accessories from Japan at this time give U.S. exporters a special marketing opportunity, according to one trade source.

## the author

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HIGH INTEREST IN MISSION led to a press conference where members fielded questions on trade and investment from the Paraguayan business press just before leaving Asuncion. From left, Mission members Rodriguez, Toler, Duff, Swartz, O'Hara, and their Paraguayan interpreter.

MISSION REPORT: THE MARKET

# Paraguay stresses acceleration of economic development rate

## Agricultural resources considered basis for establishment of export industries; imports are increasing rapidly

By REYNALDO F. RODRIGUEZ

The most vivid impression received by the U.S. Trade Mission's visit to Paraguay was the apparent emphasis on economic development. The dominant theme running through all of our conversations with businessmen, financiers, government officials and leaders of trade and industry associations was this overriding concern with accelerating Paraguay's rate of economic development.

The Mission also was impressed by the receptive attitude for private initiative—domestic and foreign. The stability, which is essential to encourage and stimulate private capital accumulation, was very much in evidence.

The Government has enacted legislation designed to attract investment, including measures which provide exemption from custom duties on those imported capital goods needed for establishment of industries, exoneration from custom duties on exports of newly established industries, reductions on the payment of income taxes, and the availability of investment guarantees. The stability of the monetary unit, and the freedom to remit capital and its earnings are among other positive measures conducive to new investments.

### Chance for export industries

Although Paraguayan exports have been adversely affected by a decline in agriculture and livestock production, there appeared to be considerable confidence that the country's natural endowments in agricultural resources offer the basis for establishment of efficient export industries capable of competing in world markets. The world population explosion, rising per capita incomes abroad, and establishment of the Latin American Free Trade Association are among factors that augur well for the future of such industries.

While Paraguayan exports to LAFTA countries rose from 27% in 1963 to 40% in 1966, the percentage of total Paraguayan exports that the United States took remained unchanged at 23% in this period. Thus the United States remained Paraguay's second most important overseas market.

### Imports increase

The Paraguayan market has been increasing rapidly at an annual rate of 16% during 1963-67; last year total imports reached $57.4 million. The United States is again the second most important source, after LAFTA, supplying about 22%. Indicative of the need for liberal credit facilities is the fact that in recent years, 25% of total imports were financed by supplier credits, long term loans, equity capital and donations.

The Mission found a climate receptive to foreign investment and to the expansion of two-way trade with the United States. In the three days spent in interviews, members talked with Paraguayan businessmen who presented almost 100 proposals to the Mission. There was significant interest in the business proposals brought by the Mission, but an even greater number of proposals were initiated by the Paraguayan businessmen themselves.

The areas of most interest were food processing and packaging, agriculture, and lumbering; but there were also a number of proposals relating to chemicals and pharmaceuticals and light manufacturing industries.

# Technology, equipment needed in Paraguay, but high-production units not required at present

## Internal market is small; meat industry accounts for 34% of total exports; 64% of workers are in agriculture

By ANTHONY M. SWARTZ

Technology and food processing and packaging equipment are needed in Paraguay. Because of the size of the market, however, reconditioned equipment offers the best prospect at present.

Paraguay's population is only 2,161,000, which makes it one of the least populated countries in Latin America in relation to available land.

About 64% of its working inhabitants are in agriculture. The meat industry, contributing 11% of gross national product, accounts for 34% of total exports and is by far the largest single source of foreign exchange, followed by such items as lumber, cotton, vegetable oils, tobacco, coffee.

The high level of meat exports has been primarily accounted for by shipments of canned corned beef to the United States, Europe, and Africa.

Fifty-five percent of the country's six million head of cattle are raised in the vast, flat prairies known as the Chaco. The Chaco could easily handle more than three times the current cattle population. Availability of water in this arid region is a problem, but progress is being made through digging of deep wells and irrigation. More selective breeding methods are needed, and continued emphasis must be placed on the program to eradicate hoof-and-mouth disease. This last measure could open markets now closed.

### Market development

The internal market of Paraguay alone is too small to justify major capital investments at present. Production volumes are low, resulting in high unit costs. New high-speed production equipment in agricultural industries is too expensive and could in a few production runs over-supply the small market. Slower and used equipment that has been reconditioned and carries guarantees could frequently be the answer. While obsolete in large mass markets, such machinery could be obtained at lower prices and would be suitable in a country where labor costs are low and output requirements are not excessive. In many instances, such used equipment can mean savings of about 50%, or more.

Because of present low production volumes which result in high unit costs, Paraguay must develop export markets. Product grading standards and quality control concepts are in some cases non-existent. Modern technological know-how is vitally needed, as are modern packaging and marketing concepts. All of these factors must be applied for Paraguay to compete effectively abroad. Liberalized credits and loans, and adjustment of local taxes to permit exemptions for export products, are also key factors in launching a successful export marketing program.

### Canning facilities lacking

Modern canning facilities are sparse, so that while basic fruit and vegetable production is consumed within the country, considerable quantities are still lost annually due to the lack of suitable equipment for canning, freezing, or storage. Also lacking is an up-to-date bottle-jar manufacturing plant. As a result, large quantities of empty bottles for use in the soft drink and beer industries must be imported into the country from nearby Argentina.

Transportation costs are high due to the cargo rehandling factors and difficulty of access to this country. Ninety-seven percent of foreign trade is routed via waterway transportation system on the Paraguay River and the Parana River which has access to the sea through Rio de la Plata down to the major seaport of Buenos Aires, Argentina. Paraguay has been guaranteed, by treaty, free port facilities in Buenos Aires and in Paranagua, Brazil, on the Atlantic Ocean side.

Rice could represent a major export crop for Paraguay, provided that modern growing, harvesting, milling, grading, packaging, and marketing techniques would be applied. Paraguay has the climate, soil and water conditions to become a major "rice bowl" for South America. Its current production of medium grain rice carries too high a percentage of broken and red rice, which is not suitable for export. Development of a long grain, white rice, perhaps of the blue bell variety, successful in other countries where conditions have not been as favorable, would be worth investigating. Such a project with proper direction, technical applications, and a marketing plan could conceivably make rice a major revenue earner.

### Rotation system

There are 2½ million acres, liberally supplied with natural water, in the Southeast and Southwest of the country—more than the 500,000 acres that we have in the United States for rice growing. The present industry suffers from infestation of red rice, obsolete drying and milling machinery, and under present procedures, considerable moisture in the paddy rice.

Most of the rice land is owned by cattle growers who do not appear particularly interested in rice cultivation; however, native pastures could be broken for rice growing and return an excellent growth for cattle feeding, thus giving an equitable rotation system—along with soybean and cotton.

Excellent potentials also exist for development of Paraguay's unique lumber industry, as well as wheat, corn, hog raising and their unusual wild growing, miniature coco palm nut which yields more oil per hectare than other known equivalents. The sugar and tung oil industries are well established, but can be easily updated and expanded as required by future market developments.

### Technology needed

What Paraguay needs is technical and marketing know-how. This could be obtained in conjunction with the U.S. Department of Agriculture or international agencies. In view of the agricultural potential peculiar to this country and the world need for such production, further technical assistance of this kind would appear to be well justified. Present U.S. AID staffs have done an outstanding job under limited conditions.

In Eastern Paraguay, on lands donated by the government, seven Mennonite colonies consisting of people from Canada,

the United States, and Europe have established themselves as immigrants with such special privileges as retaining original citizenships, paying no income taxes, and not serving in the military. Dedicated to agriculture pursuits, these people have developed the land, applying modern technologies, including fertilizers, insecticides, mechanized farming methods, and supplemental feeding of cattle. Their staff includes two highly trained agricultural men available to any of the colonies as needed.

### Distribution being modernized

As for food packaging and marketing, "the hand writing is on the wall." A modern, medium-sized supermarket has been established in downtown Asuncion liberally stocked with processed international foods and liquors from nearby Argentina, Brazil, Chile, and many European countries including several lines from the United States. The "cash and carry" concept is being introduced. Local food products are being packaged in conventional retail sizes. Domestically produced meats, and fresh fruits and vegetables, are portion cut and packaged in visual polyethylene retail packs. Successful from the day its doors opened by catering principally to foreigners living in Asuncion, supermarketing is now being extended to other sections of Paraguayan society.

Evaluating all factors, and taking into consideration feasibility studies by U.S. international consultant companies, there is no doubt that a good potential exists in agri-business for Paraguay. Perhaps the greatest degree of urgency is that Paraguay develop export markets to reduce costs through large scale commercial production and through modernizing their packaging and distribution system. This could be accomplished by having the Paraguayan Government support the business community in launching a coordinated, concentrated effort by participating in major European international food exhibitions.

### Nation of potential

Paraguay can be the land of opportunity to those U.S. firms which are wise enough to evaluate its full potentials in relation to LAFTA at a time when such a strategic market can be developed at relatively low cost with the promise of major yields and returns on investment.

The Latin American common market presents Paraguay with a major opportunity to utilize its natural advantages in the development of an agro-industry economy.



# Paraguay's untapped resources beginning to attract visitors

## Increased use of Asuncion as stopover by international airlines, air-conditioned passenger boats spur interest

By ANTHONY M. SWARTZ

More than 43,000 tourists spent about $5 million in Paraguay last year.

While these figures may not seem imposing, one must realize that tourism in Paraguay had been virtually nonexistent during the past several years, and little effort has been made to attract travelers.

The primary reason for this change in Paraguay's approach to tourism has been the increased use of Asuncion, the capital, as a stopover for such international airline carriers as Pan American, Braniff, Varig and Aerolineas Argentinas. In addition, increased flights by various national airlines have facilitated the movement of visitors to scattered points of interest. Work has already begun on expanding the airport terminal and enlarging the runways to provide landing facilities for even the huge jets that will be operating within two years.

### By boat, highway

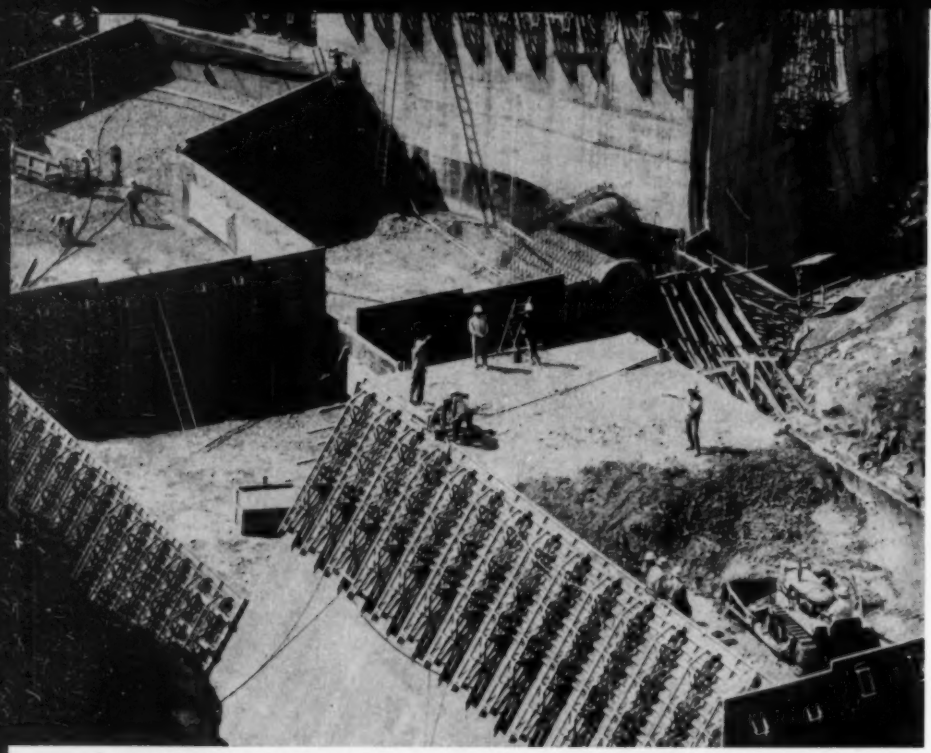
Also adding to the increasing flow of tourism are the new, airconditioned passenger boats with room for personal automobiles that move up and down the Parana and Paraguay Rivers. This mode of travel is also growing in popularity because it offers a leisurely way of seeing the varying countryside and permits the passenger to utilize his own car to expand his itinerary.

Efforts are under way to provide Paraguay with a modern highway system. According to Government sources, asphalted highways are being built at the rate of 10 kilometers per month. Present road mileage is insufficient for commercial transportation and for opening up the hinterlands. Most important, however, is the linking of the road systems to the neighboring countries of Argentina, Brazil and Bolivia, where increasing numbers of visitors are crossing the borders into Paraguay.

Asuncion is the key connecting point for magnificent Iguazu Falls, just across the border in Brazil, linked by the International Bridge, the longest cement arch-bridge in the world, spanning the Parana River. The falls are one of the world's natural wonders, higher than Niagara Falls and almost three and a half miles wide. Two excellent hotels, overlooking Iguaza Falls, seem to be operating at good capacity most of the year. As travel facilities are improved into the area, there is no doubt that an additional hotel will be needed. The Cataratas Hotel is already planning expansion.

If Paraguay is to capitalize on this outstanding Brazilian feature, transportation will have to be improved. Because the overland scenery is magnificent, perhaps construction of a small, Alpine-like, di-

JET-AGE STATUS as a stopover on many international flights has given Paraguay's tourist industry a strong boost, although little effort has gone into attracting travelers. This is the Central Plaza and Hotel Guarani in Asuncion. (Photo from Braniff)



HYDROELECTRIC PROJECT, partially financed by Inter-American Development Bank, is being built on the Acaray River some 200 miles from Asuncion. Power may be exported to adjoining countries.

rect high-speed train line, complete with air conditioning and club car could be a future consideration.

Two languages are spoken in Paraguay —Spanish and the ancient Guarani Indian dialect. Skills of these proud Indian peoples can be seen in old mission churches founded by the Jesuits, primarily in woodcarvings and paintings, but also in their famous Nandutti—spider web—lace, delicately woven in intricate designs by native women who have been passing down their knowledge from generation to generation. The village of Itaugua, about 19 miles from Asuncion, is the center for this Guarani art.

Virtually unspoiled hunting and fishing offer excellent development opportunities, including areas of the vast Chaco.

More paved roads and modern, medium-sized to small hotels now under construction will further improve Paraguay's untapped tourism capacity.

Potentials of the industry are self-evident, and conditions excellent: For tourism investments the Paraguayan Government now grants incentives, tax free import privileges on all items related to establishment of hotels and motels, for transportation services to historical locations, hunting areas, fishing and other projects connected with attracting the tourist dollar.

There has never been a more opportune time than now for tourism development.

MISSION REPORT: RESPONSE

# Quality opportunities found in Paraguay

By RAYMOND M. TOLER

Judging from the number and quality of the business opportunities generated, the U.S. Trade Mission's visit to Paraguay was quite successful. Almost 100 specific leads were brought back from this small country.

In Asuncion, where the mission spent the first week of its itinerary abroad, the participants met with the President of Paraguay, General Alfredo Stroessner, who pointed out that this was the first U.S. trade mission to visit his country. He indicated that Paraguay might send a similar mission to the United States next year, and he stressed the stable political and economic climate of Paraguay.

The mission also met with the Paraguayan Minister of Foreign Affairs and Minister of Industry and Commerce, and with such private organizations as the Federation of Production, Industry, and Commerce.

On its last day there, the Mission visited the new hydroelectric project under construction almost 200 miles east of Asuncion on the Acaray River. This project, which is being partially financed by the Inter-American Development Bank, will greatly expand the country's electric capacity. In addition to serving various Paraguayan communities, a good deal of the power generated may be exported to Argentina and Brazil.

MISSION REPORT: EQUIPMENT

# Chance to expand industrial machinery sales in Paraguay

By CHARLES V. O'HARA

There is an opportunity to increase the sale of U.S. industrial equipment to Paraguay. The market is limited, however, as the country's population is little more than two million and purchasing power is low.

Under a policy of protecting and developing home industry, a number of projects are being considered for production of items now being imported. Such activity would require a proportionately greater number of industrial installations than one might expect to find for a population of this size.

In addition, the drive to mechanize agriculture is creating a long-term demand for farm equipment that cannot be produced feasibly within the country.

Most needed at this time are food processing and packaging machinery, certain agricultural equipment, tractors, seed planters, irrigation piping, silos, deepwell pumps, and well drilling rigs.

Inquiries were received on production equipment for several industrial items, barges, and used locomotives.

### the author

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# Market for accessories, repair in Paraguay limited but growing

## Only about 20,000 motor vehicles in use there at present; financing of parts and equipment is burdensome, costly

By ROBERT A. SLENES

Although a small market, with about 20,000 motor vehicles in 1968, Paraguay is fairly well and regularly supplied with automotive parts and accessories. With the steady growth of the vehicle population, the market for parts and accessories has been progressing steadily, although still relatively small.

The market for automotive maintenance and repair equipment also is limited—even more so than the small automotive population would indicate. There are not many mechanics, as demand is lacking. Among the training courses available through the technical schools, none are offered in auto mechanics, autobody repair, or automotive electricity.

### Financing burdensome

Financing of imports of parts, accessories and equipment is burdensome and costly. Although foreign exchange is not directly controlled and a free exchange market continues, all imports from the United States require 100% prior deposit in guaranties over 120 days—a device to discourage use of the country's supply of foreign exchange. Because of high interest rates, which run at 2% per month, the need for funds required to cover such prior deposits results in requests for extended terms from suppliers of automotive parts and accessories. Certain European suppliers reportedly are financing local deposits, as well as extending better terms.

Only a limited number of agents represent automotive parts and accessories or maintenance and repair equipment—in part due to stiff financing requirements and the consequent difficulties in making sales. Parts, accessories, and service garage equipment are imported by the car dealers and the servicing facilities available.

Some importers complained of a difference in classification of the same item—"mechanics' tools" specifically. If imported by a hardware firm, such mechanics' tools are assessed a lower duty than if the same items are imported by an automotive parts or accessory distributor. The conventional pattern is thus distorted and the supplier from afar is defeated beforehand, if he makes an incorrect choice as to his marketing channel. Business associations and individual firms affected are endeavoring to correct such a dual treatment of the same item, but without success thus far or hope of any in the immediate future.

Assembly of automobiles is proceeding this year in the small Alfa Romeo plant in Asuncion, with an estimated planned production of 200 units yearly. This project was originally approved in 1966 but its implementation was delayed due to concern over the effect on government tax revenues, resulting from import duty concessions accorded to the company. On assembled vehicles these duties ran as high as 400% of the imported value. The project was opposed by FEPRINCO (Federation of Production Industry, and Commerce) as damaging to the National Treasury and prejudicial to the interests of automotive importers in general. It was approved, however, and the Alfa Romeo plant opened this year.

Proposals also have been made for assembly of agricultural implements, tractors, and trucks in Asuncion. The small size of the local market, high cost of transporting and sub-assembly, and the basically higher production costs per unit, however, make the project unlikely at this time. Increasing productivity and consolidations of nearby automotive industries—Brazil and Argentina particularly—present Paraguay with an economic limitation on export of its automobile production to LAFTA countries. However, it is likely that increasing quantities of automotive parts and accessories will be imported from LAFTA countries, while LAFTA will extend concessions to Paraguay for products in which it enjoys comparative advantages.

## Market profile—Paraguay

**Area:** 157,047 square miles, about the size of California.

**Population:** 2,161,000 (1967 estimate).

**Currency:** Guarani; 126 guaranis—US$1. No exchange restrictions; U.S. dollars circulate freely.

**Gross national product:** Estimate, $473 million in 1967; per capita income, about $224.

**Power:** Supplied to about 50% of houses in Asuncion. 45,000-kilowatt hydroelectric project under construction in Eastern Paraguay.

**Transportation:** Motor vehicles (1966), 21,972; 3,000 miles of roads (1968), only 350 paved, but expanding rapidly. Rail miles, 800.

**Industries:** Chief are meat packing, sugar, wood, vegetable oils; also processed for local consumption and export, quebracho extract and cotton fibers.

**Exports** (1967): $48.3 million; to U.S., $12.2 million. Chief exports—meat products, forestry products, agricultural products.

**Imports** (1967): $57.4 million; from U.S., $10.1 million. Chief imports—foodstuffs, machinery, transportation equipment, nonferrous metals, iron and manufactures.

**Principal trading partners:** United States, Argentina, U.K.

**Trade policy:** Generally liberal. Member of Latin American Free Trade Association, with preferential status as less-developed country. Tariff rates moderately high, especially on imports of nonessential goods; import licenses and certificates of origin not required.

MISSION REPORT: FINANCING

# Most U.S. goods sold to Paraguay handled on collection basis

## Private banks offering credit include two U.S. institutions

By OSMOND A. JACKSON

Nine important private banks in Paraguay provide short-term credits up to 180 days for the processing of international trade transactions.

Among these are two U.S. banks, the Bank of America and the First National City Bank of New York. These two banks are in a position to provide intermediate term credit for one or more years through arrangements with home office. But normally private commercial banks limit their loans to 180 days and rates run from 12 to 17%, including the discount commission.

Most of the import business from the United States is handled on a collection basis. Very rarely are letters of credit used but where required they are readily available through correspondent banking arrangements.

The prior deposit of 100% of invoice value which importers are required to put up for 120 days is deterrent to import trade. Because of the tightness of credit, the importer must seek financing from a local bank or from the exporter or other sources abroad. At a time when the balance of trade is unfavorable the deposit is intended to dampen excess import demand and it is not likely to be eliminated soon.

In addition to normal documented imports, there is a sizable traffic in contraband merchandise which enters the market on a basis that competes unfairly with other similar merchandise. Availability of liberal credit terms is a major factor in competing in this market. Almost 25% of total imports were financed by credits from abroad, mainly public and private financing institutions.

Some transactions involving imports from the United States are financed by factoring concerns in New York or by private individuals in the United States who have loanable funds available. This usually applies when the importer does not have adequate credit facilities and is therefore obliged to pay a higher tariff.

FINANCING WAS THE SUBJECT as author Jackson (l.) conversed with Chilean businessman.

### State development bank

The Banco Nacional de Fomento is a state owned development bank engaged in intermediate and long range financing for agricultural and industrial development projects. This bank has received funds from U.S. and international lending institutions. Additionally it has received loans from German, Swiss and Italian banks. Its capital also has been augmented by additional credit each year from local Government sources. This bank, concerned with international economic development, plays an important role in promotion of Paraguayan exports.

Paraguay provides an attractive investment climate because of its economic and political stability. Earnings on investments may be freely transferred and there is no problem with currency conversion. The rate has been maintained at a steady level since 1961.

Capital investment from overseas is invited and opportunities exist—particularly in the agricultural, livestock and forest products industries.

There is a need for skilled labor and modernized equipment as well as management direction but this should probably be improved under contemplated training and research programs.

A training program for highly skilled labor is under way. All this should help improve the investment climate and attract U.S. capital and know-how.

Financial assistance in plant modernization, and in management market development and promotional techniques is needed.

MISSION REPORT: CHEMICALS

# Imports seen likely as chief source

## Raw materials lacking; best prospects in farm chemicals, specialty consumer items

By BARRETT S. DUFF

Chemicals and drug products traditionally have been supplied by imports rather than by local manufacture. The current rate of importation is about $2 million annually. As the country has rather limited possibilities in raw materials to support a chemical industry, it is likely that imports will continue as the main source of chemical and pharmaceutical products.

Domestic materials that might be used for local manufacture include alcohol, vegetable oils, wood extracts, slaughterhouse by-products and limestone. Petroleum, coal or other important mineral deposits have not been discovered in commercial quantities, although much of the country has not been adequately explored.

Future prospects for imports of chemicals will undoubtedly include a marked increase in the use of agricultural chemicals and speciality consumer items. Those firms importing semi-finished or bulk material for finishing and packaging in Paraguay will be at an advantage.

### Fertilizer plant study

A study sponsored by Banco Nacional de Fomento indicates the feasibility of a mixing plant to produce at least 10,000 metric tons per year of mixed fertilizers. Basic materials to supply this plant would have to be imported in a concentrated form to minimize the cost of river transportation and handling.

Trade opportunities for speciality products include detergents, desinfectants, cleaning compounds, bleaches and dyes.

Imports of chemical fertilizers in recent years have averaged 1,000 metric tons annually, but there is a great need to increase their use in agriculture.

# U.S. trade with East Europe, USSR declined slightly during 1967

## First quarter 1968 license approvals also below last year's level; Poland is leading U.S. trading partner in Bloc; USSR next

Two-way trade between the United States and Eastern Europe in 1967 totaled $372.3 million, down slightly from $376.2 million in 1966.

The U.S. Department of Commerce's 83rd Quarterly Report on Export Control showed 1967 U.S. exports to Eastern Europe at $195.1 million, compared with $197.8 million in 1966, and imports at $177.2 million, compared with $178.7 million in 1966. The U.S. net surplus was $17.9 million.

The 1967 trade with Eastern Europe represented six-tenths of one percent of total U.S. world trade of $58.3 billion.

The report listed export license approvals of $37.2 million for Eastern Europe in first quarter 1968, compared with $27.2 million in fourth quarter 1967 and $41.9 million in first quarter 1967. Primary destinations for exports licensed in first quarter 1968 were the USSR, Czechoslovakia, and East Germany.

### Chief imports

Principal U.S. exports to Eastern Europe in 1967 were (in millions): hides and skins, $25.4; unmilled corn, $24.7; animal feeds, $12.4; grain sorghums, $8.8; oilseeds, kernels and nuts, $8.3; other agricultural commodities, $25.2; and organic and inorganic chemicals, $15.5. In all, agricultural products accounted for more than half of U.S. exports to Eastern Europe.

The principal imports from Eastern Europe were (in millions): preserved meats, $44.9; iron and steel, $12.1; platinum group metals, $10.7; glass, glassware, pottery and china, $9; metal ores, concentrates and scrap, $8.2; undressed fur skins, $7.3; metalworking machines and machine tools, $7.3; and diamonds and other gems, $6.8.

U.S. exports of oils, fats and waxes, grain sorghums and raw cotton to Eastern Europe fell considerably last year. Exports of machinery and chemicals rose. U.S. imports of iron and steel, platinum group metals and undressed fur skins declined. Imports of preserved meats and of diamonds and other gems increased.

U.S. trade with Poland was the largest among the Eastern European countries, amounting to $151.8 million. U.S. exports to Poland totaled $60.8 million, compared with $53 million in 1966, and imports were $91 million, compared with $82.9 million in 1966. Principal exports to Poland were agricultural products. Principal imports were preserved meats and iron and steel products.

### Trade with USSR

Trade with the USSR amounted to $101.9 million. U.S. exports totaled $60.2 million, compared to $41.7 million in 1966. Imports were $41 million, compared to $49.4 million in 1966. Principal exports were hides and skins and woodpulp; principal imports, platinum group metals, chrome ore, and diamonds.

U.S. trade with other East European countries in 1967 was (in millions): Czechoslovakia—exports $19.2, imports $26.2; East Germany—exports $26.3, imports $5.6; Rumania—exports $16.8, imports $6.2; Hungary—exports $7.6, imports $3.9; Bulgaria—exports $4.2, imports $2.8.

Among the principal commodities licensed for export to Eastern Europe in first quarter 1968, were (in millions): feed grains, $10; chemicals, $7; machinery, $3.8; and electronic computers and data processing machines, $3.8.

### Data approval down

The Department also approved 19 licenses to export technical data to Eastern Europe during the first quarter. This compares with 26 approvals in the previous quarter. Data approved consisted mainly of manufacturing technology for chemicals, petrochemicals, and television picture tubes.

The Quarterly Report also summarized export control activities in both 1967 and the first quarter 1968 with respect to short supply, special foreign policy controls, anti-boycott regulations, and enforcement actions.

The report is for sale at 30 cents by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from any of the 42 U.S. Department of Commerce Field Offices.

# Commerce series gives U.S. traders new market tool

## 100 to 150 in-depth reports available at $15 per year

A new series of 100 to 150 on-the-scene reports a year, covering economic and business developments in foreign markets, is being offered to U.S. exporters on a subscription basis.

The series, "Economic Trends and Their Implications for the U.S.," will begin on July 1. The reports will cover every country that offers a present or potential market for U.S. goods. They will be sent to subscribers as they become available. See subscription blank on the back cover of this issue. Price is $15 a year.

The reports, prepared by the commercial staffs in U.S. embassies abroad, give key economic indicators, such as a country's Gross National Product, foreign trade statistics, wage and price indexes, unemployment rates and construction starts. Interpretive analyses accompany these statistics.

In addition, the reports discuss the country's economic and trade policies, the prospects for trade expansion with the United States, the sales potential of commodity lines and the effects of tariff revisions.

The purpose of the series is to give world traders more comprehensive, in-depth coverage of foreign markets. "Economic Trends" will supplement existing Commerce Department services, including the sales leads and summaries of market news in INTERNATIONAL COMMERCE and in Overseas Business Reports, which give basic background data on world markets.

The Commerce Department since mid-1967 has sold individual reports for $1.50 each. More than 100 of those older reports are still available at the $1.50 price and can be obtained from the Clearinghouse for Federal Scientific and Technical Information, U.S. Department of Commerce, Springfield, Va. 22151.

Subscription orders for the new reports should be sent to Office of Publications and Information for Domestic and International Business, U.S. Department of Commerce, Washington, D.C. 20230. Checks or money orders should be made payable to the Department of Commerce.

# U.S. import curbs opposed

Decisions opposing the establishment of trade restrictions on goods entering the United States were reported to the House Ways and Means Committee earlier this month by Ambassador William M. Roth, the President's Special Representative for Trade Negotiations.

Testifying in support of the President's proposed Trade Expansion Act of 1968, Ambassador Roth said:

"Any direct action such as trade restrictions could at best result in a temporary improvement in the balance of payments. Nevertheless, we have given careful consideration to the possibility of some direct action to affect our trade balance.

"But under close examination and after exploring a number of courses with our trading partners, we came to the conclusion that all of them involved serious longer term risks and none of them carried enough assurance of even a temporary net gain to justify the risks—at least on the basis of the present outlook for our trade balance.

"One difficulty is that because of the dominant position of the United States in world trade, most countries would feel compelled to follow our lead. In fact, many of them, such as Canada, the United Kingdom and Japan, have balance of payments problems of their own."

# New investment controls published by Commerce Dept.

## OFDI seeks to prevent flowback of debts contracted abroad; relief of undue penalties pledged

Proposed revisions in the regulations regarding foreign borrowings and repayments have been issued by the Commerce Department's Office of Foreign Direct Investment.

Under existing regulations, U.S. companies may borrow abroad to finance foreign direct investment if they file a certificate stating that repayments can reasonably be expected from sources outside the United States.

### Major provisions

The new regulations, published in the *Federal Register* June 8, contain provisions which:

- would permit repayment of long-term borrowings without regard to expected "investment allowables" if no repayments are scheduled for the first seven years of the loan;
- make it clear that repayments on shorter-term loans would have to be made from a company's expected "investment allowables" in the year of repayment; and
- are designed to prevent, insofar as possible, the flowback into the United States of debt obligations resulting from foreign borrowings.

In connection with the announcement of the new regulations, OFDI Director Charles E. Fiero, issued the following statement:

"The proposed amendment clarifies the general authority to repay loans when borrowing abroad. At the same time, it introduces a new provision which permits companies to borrow abroad and to liquidate foreign debt after seven years even if they cannot be certain now of having sufficient investment allowable during the year of repayment.

"These clarifications of the regulations on foreign borrowing have an important bearing on the foreign investment program. The resourcefulness of American business in borrowing aboard has helped hold down the outflow of investment funds from the United States in recent years.

"There remains, of course, the companion problem of providing relief from the present repatriation requirement. We expect to provide some relief in this area in the near future, particularly for organizations which have had no experience abroad or which were unduly penalized because of abnormal experience during the base period years. The relief will not be immediate because of the urgent need over the short-run to maximize the impact of foreign earnings on our balance of payments. It is expected, however, to introduce the concept of a sharing of incremental earnings, starting with 1970 or 1971, over a base period year."

# Canadians visit Texas, Oklahoma to promote trade

## Five-member group outlines joint ventures, banking, transportation

Texans and Oklahomans made contact with their trading partners north of the border when a group of Canadian officials visited the southwestern states last month.

Stops in Odessa and Lubbock, Tex., and Tulsa, Okla., enabled the informal trade mission to familiarize U.S. businessmen with opportunities in Canada for licensing agreements and joint ventures, and to provide information about Canadian banking services, transportation and Customs Department requirements.

Leading the Canadian group was Max Forsyth-Smith, Canadian Consul at Dallas and Trade Commissioner. Other participants were: Robert Howard of the Bank of Montreal; P. C. Hannan, of Canadian Customs; Albert Gorman, Canadian Pacific Railroad Co.; Thomas Collings of Canadian Freightways; and Carmon Stiles, international trade specialist at the Commerce Department's Dallas Field Office.

Forsyth-Smith discussed licensing agreements, joint ventures and business opportunities in Canada. Howard explained services offered by Canadian banks to U.S. exporters and firms interested in direct ventures. The transportation representatives outlined documents required for shipments, cost of transportation, and how to choose the most suitable methods of transportation. The Customs official answered questions regarding customs requirements for entry of U.S. goods into Canada. The Commerce Field Office specialist outlined his office's services to exporters, including research, trade listings, documentation, periodicals.

In Lubbock the group conducted a conference, sponsored by the Regional Export Expansion Council and World Trade Committee, aimed at the agricultural producers. The program in Odessa, sponsored locally by the REEC and the Chamber of Commerce, was tailored toward oil field equipment and manufactured products in demand in Alberta.

In Oklahoma the group drew its largest audience—65 businessmen interested in international trade.

AT EXHIBITORS MEETING before show, Trade Center Director Richard Garnitz (standing behind table, above left) briefs company representatives on plans for the show. Sales manager of Filterite Corp. (at right, above right) explains products to government and trade association officials.

# U.S. valves, filters a hit at Tokyo show

### Japanese industry representatives see new products of 38 U.S. firms

With confirmed immediate sales of $51,893, and projected sales over the next year in excess of $3.3 million, the show of advanced industrial valves, filters, pumps, and compressors at the U.S. Trade Center in Tokyo, May 13-18, was rated as extremely successful by the U.S. participants in the show.

Attendance totaled 2,217, well above the average for Trade Center showings.

One of the 38 exhibits was a combined presentation by the Valve Manufacturers Association, which represented a group of 25 U.S. firms.

Robert Sullivan, executive vice president of the association, forecast sales for the members of his group at $1 million over the next twelve months, and forecast a $20 million potential market for U.S. valves in Japan.

Two of the manufacturers in the exhibition had announced plans to seek local agents before the show, and during the show four new agreements were signed.

Eleven additional agencies or distributorships were under negotiation as the exhibition closed, including seven arrangements being discussed by members of the Valve Manufacturers Association.

"More new products were offered here than at any other trade show I have seen," said guest of honor Yosomatsu Matsubara, president of Japan Industrial Machinery Manufacturers Association and chairman of Hitachi Shipbuilding and Engineering.

Exhibitors felt that many of the unusually high number in attendance were exceptionally high-ranking corporate visitors.

Thirty-two of the exhibitors felt that the results of the show, from the standpoints of sales and contacts made, had either met or exceeded their pre-show expectations. None of the companies participating thought that they had failed in their primary marketing objectives in showing their wares at the Trade Center.

## Berlin training congress to show medical equipment

The German Medical Congress-Exhibit Association has invited U.S. manufacturers of medical appliances to participate in an exhibition of pharmaceutical products and medical equipment which is scheduled to be held in West Berlin from May 27 to June 1, 1969.

The exhibition will coincide with the 18th German Postgraduate Medical Training Congress, the largest German event of its kind. The Berlin Congress has attracted a growing number of foreign visitors, especially from the East European countries, in recent years.

Interested American firms may **write** Dr. B. Schmittman, Kongressgesellschaft fuer aerztliche Fortbildung e.V., Berlin, for additional information.

## Indonesian show to feature agricultural, dairy machinery

The Importers and Wholesalers Association of Indonesia has announced plans for the Indonesian Engineering Exhibition to be held in Djakarta from Nov. 20 to Dec. 10.

Although U.S. manufacturers of any mechanical equipment have been invited to participate, the sponsors have expressed a particular preference for agricultural and dairy equipment.

The exhibition coincides with the beginning of Indonesia's Five-Year Development Plan (1969-73), during which period the market for machinery is expected to increase substantially.

The deadline for applications is July 20.

Interested firms may **write** Mr. V. Muljadi, Chairman, Engineering Exhibition Committee, Djalan Madjapahit No. 1, Djakarta, Indonesia.

## Bombay seminar to study Indian packaging demands

The Indian Institute of Packaging is planning to hold a seminar Sept. 12-14 in Bombay to focus attention on packaging machinery requirements for the country.

U.S. manufacturers of packaging machinery have an invitation to attend the seminar and assess the growing Indian market for this equipment.

**Write:** Indian Institute of Packaging, Bombay 25, India.

# Targeted audience aids Milan success in paper equipment

A high-powered audience led to excellent sales results, say the exhibitors at the paper manufacturing and conversion equipment show held at the U.S. Trade Center in Milan, May 15-21.

U.S. firms rang up immediate sales of $277,690, and projected sales over the next year exceed $2.2 million.

These sales figures reflect the buying power of the somewhat limited, but high quality attendance. Nearly every important paper mill in Italy sent representatives, and several presidents of the largest Italian mills attended. The quality of the visitors prompted the representative of Paper Converting Machine Co. to comment, "Your show attracted the cream of the crop."

All of the 31 participating firms expressed similar satisfaction in the show results. Twenty-seven companies reported that their primary marketing goals had been met or exceeded.

Black-Clawson, Paper Converting Machine, Clark-Aiken, Texas Instruments, and Sprout-Waldron reported five-figure floor sales and six-figure projected sales. United Sierra, Kinetic, and Beloit also project outstanding sales.

Only one firm, Wilbanks, had planned before the show to seek a permanent Italian agent. At the conclusion of the exhibition, Wilbanks was negotiating for agencies in Italy and elsewhere.

HIGH ACCURACY PAPERCUTTER by Clark-Aiken (above) is discussed by U.S. Consul General Paul Popple (center foreground) and company official (right). Silicate papermaking additives brought a prediction of $100,000 in sales over the next year as a result of the exhibition from United Sierra (below).

SIX-FIGURE SALES are expected by international sales manager of Paper-Converting Machine Co. (at right in below left photo). President of Wilbanks, Inc. (at left in below right photo) is negotiating for several new agencies, and projects $75,000 on first-year sales for his box covers.

# Danes see quota threat

## U.S. protectionist measures would probably bring retaliation, officials indicate

While Denmark has expressed general support and understanding of broad U.S. actions to strengthen its balance of payments, government officials have made it clear that Denmark will resist (and possibly retaliate against) protectionist measures which in their judgment discriminate against important Danish exports. In this regard, Denmark is closely and unhappily observing the recent U.S. decision to subsidize poultry exports, according to the latest Economic Trends Report submitted by the U.S. Embassy in Copenhagen.

The temporary competitive advantage accruing to Denmark from its 7.9% currency devaluation in late November 1967 will soon have been largely erased by the continuing wage/cost spiral.

It is too soon following devaluation and recently-enacted fiscal and monetary measures for a conclusive judgment on whether these various actions will bring the Danish economy into better balance. They will certainly help—as far as they go—but collectively they appear insufficient to overcome the lack of an incomes policy; EEC protectionism with particular respect to agriculture; and limited prospects for significant market expansion within EFTA.

Denmark's efforts to strengthen EFTA and/or achieve greater Nordic economic collaboration within an institutionalized framework—both in resigned anticipation of delayed EEC admission—should not create problems for U.S. trade.

### U.S. holds place

The United States has retained its traditional position as Denmark's fourth largest trading partner, after the United Kingdom, West Germany and Sweden. Picking up substantially in the second half of 1967, imports from the United States were up 15% for the year as a whole. This is considerably more than the 6% increase in total imports from all sources, with a resultant improvement of the U.S. share of the Danish market from 7.9% in 1966 to 8.6%.

Based on available data thus far in 1968, prospects are for a continuing upward trend in imports of U.S. merchandise, particularly in the fields of raw materials, industrial machinery, transportation equipment (chiefly aircraft) scientific and other instruments.

It is noteworthy, however, that purchases of grain and oilcakes, which fell off some 25-30% last year, seem to be picking up to far this year. In contrast, imports of oilseeds for the local processing industry are running below last year's level, which may be explained by extraordinarily heavy arrivals in the late months of 1967 under pre-devaluation contracts.

Although the currency devaluation last November has placed U.S. suppliers in a less favorable competitive position with Danish producers, at least temporarily, the continuing Danish wage/price spiral will tend to increase Danish production costs and adversely affect the long range competitive position of Danish industry.

An evaluation of prospects for increasing United States exports to Denmark would indicate that the greatest potential is in the field of capital equipment for the expansion and rationalization of Danish industry.

Principal items in this category include advanced industrial equipment and labor-saving machines; packaging and automated materials handling equipment; hospital, laboratory and scientific instruments and equipment; various types of electronics equipment, such as electronic medical analyzers, control and measuring devices, and a wide range of electronic components not made in Denmark are needed for the rapidly-expanding Danish electronics industry.

Despite the increase so far this year in imports of grain and feedstuffs from the United States, prospects in this area are uncertain in view of the difficulties which Danish exporters of farm products face in principal export markets, and the lack of prospects for an early solution of this problem through Danish accession to the EEC or modification of policies which would facilitate a material expansion of exports to the other EFTA markets.

The most significant potential source of activity to American exporters is the planned new international airport for Copenhagen, which will probably be located on the island of Saltholm, approximately five miles off the coast of Zealand. The final decision will not be taken before fall 1968, and an announcement of the $600-700 million project is expected to follow shortly thereafter.

Firms interested in the project should make their interest known to the Danish authorities as soon as possible, even though details are not now available.

**Write:** Departementschef Palle Christensen, Ministeriet for Offentlige Arbeider, Slotsholmsgade 10, Copenhagen.

In the area of regular exports the following items appear to have a better than average chance for increased sales in Denmark: synthetic yarns; advanced and automated materials handling equipment; electronic components; laboratory testing and scientific research instruments; and surgical, medical and dental instruments and supplies.

### Little inducement

Recent increases in income and excise taxation (at rates up to 20 percent) will offset rises in incomes and dampen private consumption. Unused production capacity and declining profits, brought about both by a general business slowdown and a statutory profits freeze enacted following devaluation offer little inducement for new investment.

Official hopes for a 3% growth rate in 1968 hinge essentially on a 20% gain in industrial exports, with agricultural exports holding their own, and on public sector expansion. Fulfillment of these expectations will probably mean that the present unemployment level of about 4-5% (double the 1967 level) is likely to be relatively unchanged throughout most of 1968.

On the more positive side, the cost of living index increased only 0.1% in April, as against an increase of 5.1% for the twelve-month period which ended in March 1968. If the decrease in the rate of climb reflected in April is sustained, the July index will not release a cost-of-living wage increase. Since January 1964 only two semi-annual periods have failed to result in a cost-of-living wage increase of one or two steps.

Preliminary official data indicate that industrial production improved moderately in the early months of 1968. due

chiefly to an increase in export orders, although production line employment is off 5-6%. Increases were recorded in the food, paper and chemical producing industries and in the important machinery and electrical equipment sectors.

It is generally expected that the upward trend in output will continue, as domestic orders also seem to be picking up, benefiting principally rubber goods, iron and metal goods, furniture and beverage producers. Prospects for early improvement of the leather goods and tobacco industries seem less favorable.

A particularly bright spot is a reported substantial increase in the order books of the shipbuilding industry, which has been in a seriously adverse competitive position for some time.

Although continuing at a relatively high level, housing starts are slacking off as building financing has become tighter. In the first quarter of 1968 construction unemployment increased sharply. A decline in home construction over previous levels is probably consonant with government objectives, since the construction sector is regarded as a major source of wage inflation.

The government, however, has acted to stimulate commercial construction by substantially increasing the ceilings for loans on this type of property. Moreover, building controls on commercial property are being abolished, with depreciation allowances liberalized.

Protection of Danish agriculture was the primary reason for Denmark's decision to devalue its currency by 7.9%, hard on the heels of the British devaluation. The United Kingdom takes almost 50% of Danish farm exports, and there are no alternative outlets of any consequence. Hence it was necessary to devalue to protect farm exports to the United Kingdom, mainly bacon and butter, or undertake massive subsidies to offset the currency spread.

The Government has focused intensively on efforts to expand its foreign agricultural markets, but with no results as yet. Talks have taken place with West Germany and within EFTA and the Nordic Council. Additionally, a recent Parliamentary reference to the need for a European-wide arrangement on agriculture has met with government concurrence. But nothing is concretely in prospect to mitigate the coming into force of EEC agricultural arrangements.

Farm production is running at about the 1967 level. Home market prices are frozen as part of the government's efforts to achieve a peaking-out in costs of living.

In February 1968 a new coalition government took over from the former labor-oriented coalition. The new regime gradually instituted a series of measures, fiscal and monetary, essentially to encourage business expansion and to preserve the competitive advantage derived from the November devaluation.

Specifically, a profits freeze was extended four months to November 1968; price ceilings were imposed on services and on certain agricultural products sold domestically; the budget was reduced by about 5%; taxes were increased; depreciation rules were liberalized and savings encouraged; and mortgage loan ceilings were raised for commercial construction. The majority of these fiscal measures were enacted only after management and labor, notwithstanding a government appeal, failed to agree on measures substituting for the present wage/price collective understanding.

With hourly wages already up 5% in 1968, an average overall incomes rise of around 10% is indicated. Hourly wages will probably be at a somewhat higher level, reflecting both cost-of-living increases and adjustments resulting from a general reduction in working hours. Assuming even a nominal growth rate, further price rises seem unavoidable—with consequent impact on industrial Denmark's competitive position and further erosion of devaluation gains.

Other factors inevitably leading to further consumer price rises include the increased value-added tax (12½%) and the higher costs of imports following devaluation. At the same time, sharp increases in direct taxation are expected to offset the rise in money incomes and hold private consumption at present levels.

Exports amount to about 80% of imports. Denmark buys twice as much from West Germany as she sells; the EEC takes only 25% of Danish exports; EFTA trade is expanding slightly—primarily because of bacon and butter exports to the United Kingdom—But Denmark has a trade deficit vis-a-vis the other Nordic countries. Shipping earnings are not significant and tourism, due to extensive recent foreign travel by Danes, has become a net expenditure. Danish subsidiaries and contractors abroad are useful foreign exchange producers, but it took commercial credits and capital imports to keep Denmark's nominal foreign exchange reserves ($500 million) intact.

# Liberian austerity program limits immediate import prospects, but longer outlook is optimistic

## U.S. remained top import supplier despite small dip in 1967 total; American firms advised to fill small initial orders to enter market

By EDWARD J. RANKIN
*Commercial Attache, U.S. Embassy, Monrovia*

Liberia's austerity program will continue to limit chances for any increase in sales of U.S. goods, but the long-term outlook is optimistic despite vigorous competition from other countries.

The United States was able to maintain its favorable competitive position as Liberia's chief source of supply during 1967, when American suppliers provided $54.9 million of total imports valued at $124.9 million.

The outlook for 1968 is for a reduction in total imports by approximately $5 million from the high 1967 level and for a slight decline in the U.S. share of the market, with American exports to Liberia slipping back to approximately $50 million.

A law requiring foreign-owned commercial and construction firms to deposit, over a period of five years, a total of $10,000 which will be held in escrow in a Liberian bank, and the continuation of the Government's tight austerity program led to a reduction in imports, particularly consumer goods, during the first quarter.

### Consumer slowdown

Uncertainty over the ability of the many small foreign-owned firms which comprise most of the country's retail outlets to comply with the $10,000 deposit requirement and thereby remain in business has brought a general tightening of credit and a slow-down in the movement of consumer goods.

On the other hand, sales of consumer durables such as home refrigerators and

LAMCO'S $51.4 MILLION PLANT at Buchanan has given a strong boost to Liberia's iron ore industry, an important market for U.S. machinery and equipment.

air conditioners are steady, as these items are carried by the larger retailers.

The Liberian Government's measures to hold the line on expenditures and to increase revenues in order to meet its heavy international debt repayments, together with continued low employment levels, have also limited consumer purchasing power.

Many wholesalers express the view that the present high level of inventories will prevail until late in the year, while bankers tend to be more optimistic and express the view that market conditions and sales of consumer goods will return to normal by the beginning of the third quarter of 1968.

On the bright side, Liberian exports reached a new high in 1967 of $158.7 million and, despite low world market prices for natural rubber and iron ore, the value of exports is expected to rise dramatically in 1968 to about $180 million.

One of the major factors contributing to the expansion of Liberian exports has been the construction of the Liberian-American-Swedish Minerals Company's (LAMCO) new $51.4 million washing and pelletizing plant at the port of Buchanan. It is now in full operation, washing ten million tons of iron ore and making about two million tons of iron ore pellets per year from the separated fines.

According to a recent announcement, the Bong Mining Company is also considering the construction of a similar washing and pelletizing plant, valued at $45 million. An affirmative decision could bring significant export opportunities to American suppliers of the required plant machinery and related equipment.

In 1968, a $12 million petroleum refinery, a joint venture between Hydrocarbon Research Inc. & Sunray DX Oil Company, is scheduled to commence production. The new refinery will bring about an almost complete shift in Liberia's mineral fuels import requirements from U.S. manufactured petroleum products to non-U.S. crude petroleum. This alone will cause a drop in U.S. exports to Liberia of from $5 to $7 million per year, according to official Liberian trade data.

While the United States continues to be the major source of Liberian imports, American exporters are facing increased competition from European exporters who are willing to supply quality goods, such as household furnishings, in small quantities. Importers of these lines complain that in order to obtain American products they must purchase them from European firms that will accept small orders. As this can prove costly, importers tend to purchase European products.

When introducing new products to the Liberian market, importers usually place small initial orders. American exporters who are unwilling to fill such orders may miss the opportunity to develop a profitable market.

In a developing country such as Liberia, it is not surprising that price is also an important competitive factor. American exporters face strong competition from Danish dairy products and beer, Japanese automobiles and tires, and British as well as Japanese textiles.

A significant opportunity for American exporters is presented by the soon-to-be-completed AID-financed John F. Kennedy Memorial Hospital in Monrovia. Equipment, instruments and supplies will be purchased through the Afro-American Purchasing Center Inc., 30 Church St., New York, N.Y. Interested American suppliers should write direct to that organization.

In Liberia, where almost every manufactured article is imported, there is a broad potential market for many American products. In addition to the specific export opportunities cited above, American exporters should be alert to the market for the following: canned foods, rice, liquid soaps and soap powders, toilet soaps, disinfectants, insecticides and fungicides, paper bags, paperboard boxes, printed woven cotton fabrics, cutlery and household utensils of iron or steel, drugs and pharmaceuticals, durable low-priced toys, glass containers (pharmaceutical, beer and soft drink), razor blades, non-electrical stoves, sanitary plumbing fixtures, mattresses, clothing, blankets, towels, and beer and wines.

In this tropical land with extensive inland waterways there is as yet an undeveloped market for small boats and related marine equipment.

U.S. manufacturers of lumber cutting and processing equipment should be alert to the substantial expansion of Liberia's timber industry that is likely to take place within the next few years. This expansion probably will include the installation of at least one plywood manufacturing plant.

With an economic growth rate of 4 to 5% per year, the number of persons employed in the money economy will slowly rise and there will be a gradual increase in the demand for imported products, a continuous opportunity for the expansion of U.S. sales.

# World Bank loans aid Thai highways, Iran's private firms

### Equivalent of $54 million made available to two countries

To assist in Asia's development effort, the World Bank has authorized two loans totaling $54 million for the improvement of Thailand's highway system and to assist the efforts of Iran's industrial development bank to boost private business projects.

The Thai project consists of the construction and improvement of two high priority highways totaling about 300 miles, which form part of the arterial links between Bangkok and the northern and northwestern regions of Thailand and cross some of the most fertile agricultural lands of the Central Plain.

The project is scheduled for completion in 4½ years at a total estimated cost equivalent to about $60 million. The $29 million loan will cover the foreign exchange costs of the road works, consulting services and the overseas training of senior staff from the Department of Highways. The balance of the funds required will be provided by the Government. Construction work will be carried out under unit price contracts awarded after international competitive bidding.

The Commercial Attache at the U.S. Embassy in Bangkok listed other Thai projects, financed by the Eximbank which should be of interest to U.S. suppliers in a recent International Commerce article. They include: the Rama Tower-Hilton Hotel; the Bangkok Sheraton Hotel; the North Star Co. in Bangkok, which received $150,000 to equip water treating and bottling plants at Chiangmai and Pattaya; and the Bangkok Bank, Ltd., which received $1 million for relending to rural and manufacturing firms importing agricultural and industrial equipment and materials from the United States.

The $25 million loan to the Industrial and Mining Development Bank of Iran (IMDBI) will help meet the foreign exchange costs of projects being undertaken by Iran's growing private industries.

Established in 1959 by Iranian and foreign private investors, IMDBI is now the major source of term finance for private industry in Iran. IMDBI makes medium and long-term loans, invests in share capital, and arranges for technical advice and participation of domestic and foreign capital in the enterprises in helps to finance. Eighty percent of IMDBI's share capital is now held by Iranian investors; since 1964, the management and staff have been entirely Iranian.

An increasing share of IMDBI operations has been the promotion of manufacturing activities new to Iran, such as a machine tool unit, a glass factory, and a rolling mill (light steel sections). Several of these IMDBI-promoted projects involved foreign equity participation or management arrangements.

In addition, IMDBI manages Government funds of about $33 million for investment in private enterprises. The availability of these funds has made possible IMDBI's high volume of operations.

While the cost of the resources available to IMDBI has increased in recent years, it has continued to show good profit. It paid a dividend of 8% for each of the past two fiscal years.

## India relaxes controls on paper, cotton textiles

In separate decisions announced in May, India removed price controls on all varieties of paper, and exempted additional amounts of mill-made cotton textiles from production and price controls.

Low profitability in the Indian paper industry has caused a slowdown in expansion of production, and the decision to end price controls was taken to improve the industry's financial position and attract the investment needed for production to keep pace with the expected growth in demand.

The relaxation in textile controls reduces from 40 to 25 the percentage of total production that cotton textile mills must devote to controlled varieties of cloth. The order relating to textiles also abolishes price controls on certain varieties of medium and fine grade cloth and permits a 2% increase in the ex-mill prices of the controlled varieties of cloth.

## Ceylon cuts tea duty

Effective May 8, Ceylon reduced the export duty on packaged tea (subject to certain packaging requirements) from 40 to 25 rupee cents per pound (100 rupee cents=1 rupee=$0.1681).

# Italy's research, development budget shows 21% increase

Research and development in Italy, while on a far smaller scale than in the United States, has developed significantly in recent years.

A new study by the Italian Government indicates that in 1965 the total research and development budget was the equivalent of $352 million, a 21% increase over 1963. Forty percent of the amount was financed by the Government, 57% by private industry, and 3% by outside agencies, including international organizations such as EURATOM.

Pure research claimed 20% of total research and development expenditures in 1965, applied research 44%, and development about 36%. With regard to specific fields, almost 70% of the total 1965 spending went into engineering development, 20% to the natural sciences, 7% for medical sciences and 4% for agriculture.

The study indicates that 20,000 full time professional researchers, 12,000 full time research assistants and about 14,000 full time supporting personnel were engaged in research and development in Italy in 1965.

An English translation of the Government report, *Survey of Expenditure for Scientific Research in Italy, 1965*, is available to interested U.S. businessmen on a loan basis from the Italy Desk, BIC/OIRE-888, U.S. Department of Commerce, Washington, D.C. 20230.

## Peru raises import rates, imposes consumption taxes

Peru has increased taxes on most imports and enacted new internal consumption taxes.

The new measure has the effect of establishing a four-rate system of foreign exchange: a favored import rate of 38.7 soles to the dollar; the general import rate of 44.5 to the dollar; a draft rate which fluctuates above 44.5 to the dollar; and an export rate which is yet to be determined, but which is expected to be between the certificate and general import rates.

# Iran adopts tighter import regulations

### Fiscal 1968-69 rules protect local firms, limit non-essential imports

Iran's recently-announced import and tariff regulations for fiscal year 1968-69 (beginning Mar. 21) combines a policy of protecting local industry and restricting imports of less essential products.

Import restrictions, customs duties, or the Commercial Profits Tax (CPT) have been eased on linseed, glucose, tires, threads of synthetic fibers, cast iron pipes and joints, agricultural tools, radio and TV transmitter equipment, motorcycles, and watches.

In the case of tires, all sizes may now be imported, subject to prior approval of the Ministry of Economy. The Ministry, however, has not yet approved the import of any sizes which were previously prohibited.

The new regulations made no changes in import conditions, customs duty, or CPT for imports of cars, although a new tax of 10% of the local sales price of imported automobiles (5% for locally manufactured vehicles) was subsequently imposed by the Ministry of Finance.

Restrictions, duties, or CPT have been increased for dairy products, grain, vegetable oils, paint, finished wood and plywood, wool, most iron and steel products, machine tools, and plumbing fixtures.

In a significant move for importers, the Central Bank of Iran has abolished the advance deposit requirement for unprocessed raw materials, machinery, and parts. Previously importable only under letter of credit, these items now may be imported on bills of collection as well.

Advance deposit requirements for other goods (15%, 40%, or 100% depending on the nature of the goods) remain unchanged. Previously, the Central Bank of Iran raised the import registration fee to 4%, payable at the time the importer registers an order with an authorized commercial bank.

To eliminate difficulties in determining the true value of imports, the basis of duty assessment has been changed from ad valorem to specific (by weight) for a number of items, including woolen textiles. On the affected items, this move reduces the advantages of importing low-priced goods and encourages higher quality imports.

The number of import items requiring prior approval by the Ministry of Economy has been increased in the new regulations. At the same time, however, the requirement for concurrent approval by other ministries has been eliminated for many items.

For information on specific items, **write:** Near East-South Asia Division, OIRE, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C. 20230.

## Indonesia rejoins IFC, wins endorsement of aid group

Indonesia recently rejoined the International Finance Corporation (IFC), an affiliate of the World Bank that invests in private enterprise in developing nations. Indonesia, an original member, had withdrawn from the IFC in 1961.

This and other recent moves by the Indonesian Government were endorsed by the Inter-governmental Group on Indonesia (IGG) at its meeting in Rotterdam. The ten-nation group, of which the United States is a member, is providing support for Indonesia's economic stabilization program.

The World Bank's representative at the meeting stated that the International Development Association, another World Bank affiliate which makes loans on favorable terms to developing nations, is expected to increase its lending program to Indonesia.

The IGG is scheduled to convene again in October.

## AMA briefing to discuss U.K. since devaluation

A post-devaluation appraisal on Investing and Operating in the United Kingdom will be offered at an American Management Association briefing session at the Waldorf-Astoria Hotel, New York City, June 27-28.

Among the participants will be Senator John Sparkman, chairman of the Senate Committee on Banking & Currency and chairman of the European Affairs Sub-Committee of the Senate Committee on Foreign Relations, and, from the United Kingdom, Chief Secretary to the Treasury John Diamond.

Topics to be considered include: investment opportunities currently open in the U.K., means of financing capital expenditures, laws and regulations affecting foreign investment; and legal implications of operating in the U.K.

# Mexico encourages 'trade weeks' abroad

### Stores which stage foreign shows can hold similar events at home

Leading department stores and other volume retail merchandisers in Mexico recently were called upon to sponsor Mexican Trade Weeks in cooperating stores in foreign countries. The Secretariat of Industry and Commerce considers this to be an effective way of spreading knowledge abroad concerning the wide range and fine quality of Mexican manufactures and, thereby, promoting exports of these items.

Mexican stores which sponsor Mexican Trade Weeks abroad will be permitted to organize similar promotional events in their stores in Mexico, with displays of articles for sale from foreign countries equal in value to their sales abroad.

Responsibility for organizing and staging Mexican Trade Weeks rests with the sponsoring Mexican stores, which, however, can count upon full cooperation from Mexican Government sources.

A number of Mexico's most important retail establishments, some with nationwide operations, including its most prestigious department stores, are interested in participating. Among the Mexican products mentioned for display in Mexican Trade Week exhibits are: china, blown glass, ceramics, textiles and apparel, and handicraft items. In addition, numerous other interesting possibilities should be uncovered as interested foreign firms engage in discussions with participating Mexican stores.

Additional details concerning this program are available from the American Republics Division, BIC, or any of the Department's Field Offices. American retail stores or organizations interested in exploring marketing possibilities arising from this program should **write:** Camara Nacional de Comercio de la Ciudad de Mexico, Paseo de la Reforma 42, Mexico, D.F., Mexico.

# Private Korea firms will get $15 million to buy U.S. goods

### Money will be reloaned to private manufacturers and processors

A $15 million U.S. loan will provide long-term capital loans of $100,000 to $1 million for private enterprises in Korea to spend on American goods and services.

The loan funds will be made available to the Korean Reconstruction Bank, a national development bank established in 1954 and Korea's principal source of long-term industrial financing.

The bank in turn will extend dollar credits to private firms to finance dollar costs of machinery, equipment and services in the United States.

The capital loans will be extended primarily to enterprises in the manufacturing and processing industries, whose operations will contribute to the economic growth of Korea as outlined in the nation's Second Five-Year Development Plan (1967-71). A maximum of $3 million may be used to buy U.S. equipment for construction and outfitting of fishing vessels.

Small and medium industrial enterprises continue to play a major role in Korea's economic growth, which averaged 9.3% annually in terms of real gross national product over the last five years. In order to sustain such growth rates and expand exports, additional long-term foreign exchange financing is critically needed for Korean private enterprise.

The minimum annual rate of interest at which Korean businessmen can borrow these funds from the Korean Reconstruction Bank will be 10%. The maximum repayment period will be 15 years.

## U.S. credit helps Korea firm buy textile equipment

The Export-Import Bank has authorized a $3.4 million credit to help Korea Nylon Company, Ltd. (Kolon) of Taegu, Korea, finance U.S. purchases of equipment and services needed for expansion of a textile nylon staple and filament plant. The expansion program, which will cost some $6.44 million, will be supervised by Chemtex of New York. All of Kolon's increased output will be consumed in Korea.

Kolon has a textile nylon production capacity of 8.8 million pounds a year. Eximbank's new loan will help finance four million pounds additional capacity, increase employment by 250 persons, and bring total annual capacity to 12.8 million pounds in 1969.

## $50 million loan from U.S. will buy goods, services for Pakistan's Tarbela Dam

A $50 million Eximbank loan in favor of the Government of Pakistan will help finance purchases of U.S. equipment and services required in the construction of a dam and related facilities at Tarbela, West Pakistan.

Total cost of the project is estimated at the equivalent of $900 million. Pakistan will provide the rupee costs of building the project, while the Export-Import Bank will join government financing agencies of Canada, France, Italy, and the United Kingdom, as well as the International Bank for Reconstruction and Development, in meeting foreign exchange requirements. Details on the financing of the project appeared on p. 38 of the May 20 issue of INTERNATIONAL COMMERCE.

The Tarbela Dam project involves the damming and storage of the Indus river waters at Tarbela, a village about 40 miles northwest of Rawalpindi. It will provide for flood control, irrigation, and the generation of electric power. Scheduled for completion in 1976, it will be the most massive earth and rockfill dam in the world and will provide enough water to irrigate over four million acres of land and generate 2,100 megawatts of additional power for West Pakistan. The dam will rise 485 feet above the river bed level and will be some 9,000 feet long.

The contract for the project has been awarded by the Government of Pakistan through competitive international bidding to a group of Italian and French firms formed for this purpose.

## Eximbank note rates change

The Export-Import Bank has again raised the rates on its short term discount promissory notes. The new rates are: 30-59 days, 5.75%; 60-89 days, 6%; 90-179 days, 6%; 180-270 days, 6.15%; 271-360 days, 6.15%.

# Chase Manhattan's Djakarta branch insured by AID

### Guaranty is first to cover U.S. bank in Indonesia against political loss

The Chase Manhattan Bank has been issued the first U.S. Government insurance of a branch bank in Indonesia against loss due to certain political risks.

The guaranty, issued by the Agency for International Development, covers losses in case of currency inconvertibility, expropriation or nationalization, and war, revolution or insurrection.

The contract with Chase Manhattan covers a new Chase branch in Djakarta.

AID has now issued political risk insurance and "extended risk" loan guaranties covering four recent U.S. investments in that country, and several other contracts are in process.

The AID-Chase contract also is the first of its kind under a new, liberalized standard form for U.S. branch banks. The new form for banks automatically covers their banking operations in the host country but on a co-insurance basis. For example, it protects the bank against losses from local loans, obligations against over-drafts, and from the destruction of leased property.

At the same time, AID has prepared a new, short standard form for all U.S. institutional lenders covering eligible loans to private firms in friendly less-developed countries with which the United States has investment guaranty agreements. This contract liberalizes the definitions of political risks to cover debt default and damage to the security of borrowers. It also provides for coverage of partial losses resulting from defaulted loans.

## Course for managers

The American Management Association has scheduled a comprehensive course in advanced international management—operating problems and policies for international business—for June 24-28. To be held at AMA headquarters in New York City, the program is designed specifically for the experienced international manager.

# Five European firms are denied rights to exports from U.S.

## Four Belgian firms, one in Germany, penalized for breaking export law

Five European firms have been denied the right to receive U.S. products for violations of the U.S. export control regulations.

A West German firm was penalized for failing to respond to questions concerning its handling of U.S. electronics equipment in dealings with firms known to supply goods to Communist countries; a Brussels firm lost its rights to U.S. exports for similarly refusing to supply information on an alleged shipment of U.S. heavy equipment to the USSR; and three other Belgian firms lost their U.S. export rights because they are managed by a man who had previously been banned from dealing in U.S. goods.

### Oosterum-Karlsruhe

Jan A. G. Van Oosterum of Karlsruhe-Durlach, West Germany, a wholesale dealer in electronic equipment, has been denied all U.S. export privileges for an indefinite period for failure to give information concerning his handling of U.S. electronics equipment. The action also is effective against Ameco Import, a firm owned and operated by Van Oosterum.

The Department of Commerce's Bureau of International Commerce (BIC) said that Van Oosterum ordered and received U.S.-origin electronics equipment and components, some of strategic nature, in 1965 and 1966. Written interrogatories were submitted to him regarding his handling and disposition of the goods. He also was asked about his dealings in U.S.-origin goods with foreign companies that are known to supply goods to Communist countries. He failed to reply and the denial order was issued in accordance with BIC regulations. The order will remain in effect until Van Oosterum answers.

### SEDIC-Brussels

The firm known as SEDIC (Societe Eurafricaine pour le Developpement de l'Industrie et du Commerce) of Brussels, Belgium, and G.A. Forrest, a partner and manager of the company, have been denied U.S. export privileges for an indefinite period for failing to give information regarding their participation in a transaction involving an unauthorized reexportation of U.S. heavy equipment.

The U.S. Department of Commerce has announced that the SEDIC firm, which is engaged in importing, exporting and otherwise trading in agricultural and construction equipment, ordered a heavy scraping machine, accessories and spare parts from a Belgian distributor of a U.S. manufacturer. The machine was shipped from Antwerp to Rotterdam and from there was reexported to the USSR, an unauthorized destination.

The Department's Bureau of International Commerce (BIC) is seeking to determine from SEDIC the circumstances that led to its ordering the machine and whether it participated in the unauthorized reexportation. The firm and its manager failed to answer inquiries and thereby subjected themselves to the order denying export privileges. The order will be terminated when they furnish responsive answers.

### Gryp—Ghent

A 1958 order denying U.S. export privileges to Andre Gryp of Ghent, Belgium, has been made effective against three firms Gryp manages and controls. The U.S. Department of Commerce announced that the firms are Agraria S.p.r.l.; Corn, Food and Fertilizer Trading Co., and Steel Trading Co., all of Ghent, and all engaged in import-export operations.

The Department's Bureau of International Commerce (BIC) took the action to prevent Gryp from using the firms to evade the 1958 denial order. That order was entered because of Gryp's participation in the unauthorized reexport of U.S.-origin chemicals to Communist countries.

### All licenses revoked

All outstanding export licenses in which the five firms have an interest have been revoked. The firms, their agents and employees are prohibited from participating in any transactions involving commodities or technical data exported from the United States.

U.S. export regulations provide that without authorization from the Department of Commerce, no party may trade in commodities or technical data exported from the United States with a party he knows has been restricted from dealing in U.S. exports.

# N.Y. electronics dealer loses right to export U.S. goods

## Belgian national accused of making false declaration on shipment

Pierre M. Stevens, a New York electronics engineer who allegedly attempted to export $13,000 worth of strategic electronic equipment under false pretenses and without the required licenses, has been denied all U.S. export privileges.

The U.S. Department of Commerce said that Stevens, a Belgian national who has resided in the United States for several years, ordered a number of strategic electronic items valued at $62,000 from two U.S. suppliers. All of these items required specific licenses for exportation.

According to the Department's Bureau of International Commerce (BIC) Stevens received $13,000 worth of these items from the suppliers and delivered them to a pier in Manhattan for exportation to Antwerp. He did not obtain the required export licenses and he declared the items to be personal effects and household goods worth $750.

Agents of the Office of Export Control and the Customs Service discovered the alleged illegal exportation and prevented its completion.

Under the order Stevens is barred from any export transaction involving U.S. commodities or technical data.

# India gets $20 million credit to buy U.S. goods

The Export-Import Bank has authorized a $20 million credit in favor of the Government of India to finance purchases of U.S. capital equipment and related services.

Items to be purchased are expected to include manufacturing machinery, mining, drilling, earthmoving, and construction equipment, agricultural equipment such as aircraft and related equipment for crop spraying, and railway and transportation equipment.

Since 1958, the Bank has authorized four previous relending credits totaling $250 million to finance Indian purchases of American goods and services.

# Mission to Chile, Paraguay brings back joint venture, licensing proposals

**U.S. investors offered opportunities in such fields as paint, building materials, chemicals, automotive equipment, and farming projects**

Reports from members of the U.S. Trade Mission to Chile and Paraguay indicate the strong interest of local businessmen in obtaining U.S. participation in a wide range of projects.

Manufacturing opportunities exist in such diverse fields as paint, chemicals, automotive equipment, food products and building materials. In addition, assistance is sought of U.S. investors in the development of lumber, mining and farming projects.

To permit quick reference by U.S. firms, proposals are listed in numerical sequence by Standard Industrial Classification number. Companies interested in following up one or more of the proposals are requested to show the Interview Report (**IR**) number on any correpondence with a foreign firm or with the Bureau of International Commerce. The identifying **IR** number is listed immediately after the address of the foreign firm.

## Chile

### 0135 Cattle farms

Santiago cattle breeder seeks to expand his operation through a joint venture with a U.S. company.

The U.S. firm would provide bulls, farm machinery and managerial assistance.

**Write:** Manfred D. Freitag, Pedro Valdivia Norte 0365 Dept. C., Santiago, Chile, **IR-SC-79.**

### 0136 Hog farms

Santiago raiser of hogs seeks a joint venture with a U.S. meat company to slaughter, package, and market pork products.

**Write:** Jovino Novoa, Huerfanos 1117, Santiago, Chile, **IR-SC-64.**

### 1474 Borax mining

A processor of aluminum sulfate and borax seeks a joint venture to develop two sites reportedly containing borax and aluminum sulfate deposits.

**Write:** Adolfo Sanchez Velazquez, Echenique 6891, Santiago, Chile, **IR-SC-103.**

### 2024 Ice cream

Santiago firm of business consultants is interested in discussing joint ventures for the production of ice cream bars, baby food and the canning of fruit.

**Write:** Juan Eduardo Correa, General Manager, Ingenieros Consultores Asociados ICA, Moneda 856—Of. 206, Santiago, Chile. **IR-SC-5.**

### 2032 Canned fruits

Joint venture or license is sought by a producer of canned fruits and nectars to improve and expand product line.

The Valparaiso firm is particularly interested in the production of baby foods.

**Write:** Tomas Lopez, Technical Manager, Conservas Aconcagua, Blanco 890, Valparaiso, Chile. **IR-VC-3B.**

### 2033 Canned fruits, vegetables

Joint venture or license to prepare and package tomato ketchup, salad dressings and fruit pulps is sought by a producer of ice cream stabilizers.

**Write:** Claudio Horobricz, Sopromo Ltda., Domingo Santa Maria 1495, Santiago, Chile. **IR-SC-25.**

### 2034 Instant foods

Manufacturer of food essences seeks licenses to make instant gravies, beverages, and puddings.

**Write:** Esteban Berndt R., General Manager, Carlos Cramer Productos Aromaticos S.A.C.I., Roger de Flor 2775, Santiago, Chile, **IR-SC-101a.**

### 2035 Salad dressings

Large manufacturer of fish oil, and alcohol wants joint venture or license to produce and market salad dressings.

**Write:** Alfredo Barriga, Asst. Gen. Mgr., Compania Industrial Indus, Agustinas 1235 —8th Floor, Santiago, Chile. **IR-SC-100a.**

### 2037 Concentrated fruits

Licenses to manufacture concentrated fruit and vegetable products, automatic clutches, metal brake parts and fiber glass are sought by Alfonso Guzman, Depetris Ltda., Avenida Espana 650, Santiago, Chile. **IR-SC-109.**

### 2041 Flour

Manufacturer of fish products seeks joint venture to make high protein flour from fish and marine animals.

**Write:** Luis Guzman Pinto, Huerfanos 623, Santiago, Chile. **IR-SC-89.**

### 2041 Cereals

Large bakery seeks joint venture to produce and market cereals, can fruits, vegetables, and manufacture special flour mixes for the Chilean market.

**Write:** Rene Munoz, Mgr., Carozzi S.A. (Fideos y Alimentos), Gral. Velazquez 597, Quilpue, Chile. **IR-SC-30.**

### 2093 Vegetable oil mills

Joint venture is desired by large fish and oil manufacturer to develop sunflower seed oil as food concentrate.

**Write:** Alfredo Barriga, Asst. Gen. Mgr., Compania Industrial Indus, Agustinas 1235 —8th Floor, Santiago, Chile. **IR-SC-100b.**

### 2099 Other food preparations

Malt extract manufacturer seeks joint venture or license to produce leavening compounds.

**Write:** Antonio Schindler, Salvador Gutierrez 4740, Santiago, Chile. **IR-SC-94.**

### 2433 Prefabricated wood buildings

Joint venture to develop wood products business to manufacture prefabricated housing sections, crates, and other items from insignia pine sought by Jose Ibieta E., El Trovador 4241, Santiago, Chile. **IR-SC-47.**

### 2641 Gummed paper

Joint venture to produce gummed paper sought by Carlos Valdes P., Oscar Anderson y Cia. Ltda., Chiloe 1678, Santiago, Chile. **IR-SC-28.**

### 2641 Cellophane tape

Manufacturer of adhesive tape seeks license to produce new varieties of tape such as cellophane and plastic tapes.

**Write:** Ramon Echeverria, Los Tres Antonios 3289, Santiago, Chile. **IR-SC-21.**

### 2655 Fiber cans

Manufacturer of mining equipment seeks license to make round cardboard drums.

**Write:** German Pfingsthorn, Acustermic S.A.C. e I, Cueto 1076, Santiago, Chile. **IR-SC-26a.**

### 2661 Roofing paper

License to manufacture roofing paper is sought by an exporter of agar-agar.

**Write:** Italo Dapelo, Castellon 785, Concepcion, Chile. **IR-CC-10.**

License to produce roofing material of asphalt and sand impregnated paper sought by Franco Bozalla E., Plansa, Baldovinos 473 (ex San Joaquin), Casilla 13131, Santiago, Chile. **IR-SC-16b.**

Leading manufacturer of formaldehyde, phenolic, urea and melamine resins proposes a joint venture with a U.S. company.

The products to be manufactured include specialty chemicals for the automative industry, sodium bichromate, and sodium bicarbonate-USP.

**Write:** Rodolfo Gleisner A., General Manager, Elaboradora de Productos Quimicos Sintex S.A., Casilla 227, Vina Del Mar, Chile. **IR-VC-13.**

### 2821 Resins

Manufacturer wants license to make epoxy or special resins utilizing firm's new facilities to make resins for brake linings.

**Write:** Eugenio Schwartz K., Gen. Mgr., Plastix Chilena Shyf S.A., Duble Almeyda 1617, Santiago, Chile. **IR-SC-36.**

Santiago manufacturer of PVC resins seeks to triple his capacity from 40 tons per month through a joint venture with a U.S. firm.

**Write:** Jose I. Ibieta E., Managing Direc-

tor, Resinas Industriales Resinil S.A.C.I., Independencia 704, Santiago, Chile. **IR-SC-65.**

### 2833 Agar-agar

A trading firm specializing in the export of agar-agar seeks joint venture to expand operations.

**Write:** Carlos Von Stubenrauch, Dir., Midesa S.A.C./Algas Marinas Ltda., Agustinas 925, Santiago, Chile. **IR-SC-102B.**

### 2834 Glucose

License to manufacture glucose is sought by a producer of watches, razors and musical instruments.

**Write:** Augusto Montero, Bandera 341, Of. 105, Santiago, Chile. **IR-SC-91.**

### 2844 Cosmetics

Licenses to make cosmetics and perfume are sought by manufacturer of food products.

**Write:** Esteban Berndt R., Gen. Mgr., Carlos Cramer Productos Aromaticos S.A.C.I., Roger de Flor 2775, Santiago, Chile. **IR-SC-101b.**

### 2851 Paint, varnishes

Manufacturer seeks partner for joint venture to produce paint or related products such as pine oil and pine resins at free port of Punta Arenas.

**Write:** Gonzalo Perez Concha, Pinturas Tajamar S.A., Transversal 5490, Los Cerrillos, Santiago, Chile. **IR-SC-39.**

Joint venture to manufacture anti-corrosion automotive and industrial paints is sought by a Santiago paint company.

The firm is also interested in expanding into other fields, such as the production of mills and food containers.

**Write:** Tomas Hammerschlag, Manager, Pintura "El Adarga" Ltda., Antofagasta 3117, Santiago, Chile. **IR-SC-73.**

License is sought by a paint and chemical company to make special varnishes, rust removers, primers, enamels for application by electrostatic process, and chelates for mixing with fertilizers for direct application.

**Write:** Juan Gebhardt F. or Dr. Heinz Greiner, Sociedad Quimica Nacional "SOQUINA", Bernal del Mercado 1527, Santiago, Chile. **IR-SC-18.**

### 3079 Plastic toys

License to manufacture plastic toys is sought by a toy distributor. The company has one injection molding machine and can add others as required.

**Write:** Basilio Lopez M., Import. e Indust. Lopez y Cia. Ltda., J. T. Ramos 122, Valparaiso, Chile. **IR-VC-14.**

### 3210 Glass

Glass manufacturer seeks joint venture or license to expand present operation.

**Write:** Vicente de La Fuente, General Manager, Vidrios Planos Cerrillos S.A., Camino Melipilla 7895, Santiago, Chile. **IR-SC-59.**

### 3391 Steel braces

Manufacturer of mining equipment seeks license to make prefabricated brace assemblies for mines.

**Write:** German Pfingsthorn, Mgr., Acustermic S.A.C. e I., Cueto 1076, Santiago, Chile. **IR-SC-26b.**

### 3411 Metal cans

Santiago can manufacturer invites a joint venture or acquisition by a U.S. firm.

**Write:** Carlos Neumann S.A., Avda. Zanartu 1728, Santiago, Chile. **IR-SC-85.**

### 3449 Prefabricated steel buildings

Construction firm seeks license to make prefabricated steel buildings and housing components.

**Write:** Fabriziano Herrero, Mgr., Ferrocret (Ingenieria y Construccion Metalica), Av. Las Americas 1020, Santiago, Chile. **IR-SC-84.**

Importer of hand tools wants licenses to produce prefabricated housing materials, popcorn machines and other equipment.

**Write:** Leo Guiloff, S.A.C. e I. Felipe Guiloff, Matucana 27-C, Santiago, Chile. **IR-SC-32.**

### 3481 Vibrator screens

Licenses to produce vibrator screens, ball mills and other products used in the mining industry are sought by a Santiago firm specializing in the manufacture of foundry products for the mining field.

**Write:** Patricio Lopez, Dir., Industrias Estano y Acero Indesa S.A., Carlos Sage 096, Santiago, Chile. **IR-SC-97.**

### 3535 Conveying equipment

License to manufacture belt and roller conveyors and other material handling equipment sought by producer of machine parts.

The Chilean company is also interested in the assembly of geared speed reducers from components furnished by a U.S. manufacturer.

**Write:** Dieter W. Koenig, Fundicion y Maestranza Universal, Rengo 1002-1014, Concepcion, Chile. **IR-CC-12.**

### 3541 Lathes

Santiago manufacturer of machine tools, bolts and screws seeks to produce lathes under license.

**Write:** Luis Sande y Cia., Alameda 1771, Santiago, Chile. **IR-SC-83.**

### 3551 Food products machinery

Producer of fruit and grain processing machinery seeks license to make related equipment for both the domestic and export market.

**Write:** Arturo Preisler, IMAP (Industria Mecanica Arturo Preisler), Vicuna Mackenna 6847, Santiago, Chile. **IR-SC-81.**

### 3553 Woodworking machinery

Joint venture or license to manufacture equipment for wine making, woodworking, and fruit harvesting sought by firm currently importing and wholesaling related items. Firm has limited production facilities.

**Write:** Lewis H. Jowett, Dir., Raab Rochette S.A.I.C., Alameda 1869, Santiago, Chile. **IR-SC-23.**

### 3580 Service industry machines

Santiago firm with licenses to produce air conditioning equipment, beverage dispensers and water coolers seeks licenses to manufacture additional related products.

**Write:** Thomas Taunton & Cia., Arturo Prat 60—Of. 64, Santiago, Chile. **IR-SC-76.**

### 3640 Lighting equipment

Large manufacturer of electrical appliances seeks license to produce street light covers, mercury vapor lights and electrical-mechanical equipment for distribution in the Andean market.

The Santiago company reportedly has around 1200 employees.

**Write:** Carlos Maira, Export Manager, Somela/Famela, Los Serenos 325, Santiago, Chile. **IR-SC-62.**

### 3714 Automotive equipment

Importer of oil seals and bearings is interested in joint venture or licensing arrangement to manufacture clutch bearings, gaskets, oil seals, and o-rings.

**Write:** Pedro Contreras, Castro 7, Santiago, Chile. **IR-SC-10.**

Importer of auto parts seeks license or joint venture to produce shock absorbers, clutch discs, piston rings, bearings, and brake fluid.

**Write:** Julio Musalem, Pres., Repuestos Automoviles Musalem, Cienfuegos 11 A, Santiago, Chile. **IR-SC-6.**

Licenses to manufacture automotive parts.

## Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

accessories and maintenance equipment sought by a Santiago firm.

The company currently manufactures automobile windshield wiper and heater motors, switches and water pump valves.

**Write:** Mrs. Margarita Pisano, Industrias PBG Electromecanica y Plastica, Yungay 3088, Santiago, Chile. **IR-SC-69.**

### 3841 Plastic syringes

An investment company seeks licenses to manufacture plastic disposable syringes and other medical products; sealed beam headlights for automobiles; electric batteries for radios; and preservatives for use with granulated products.

**Write:** Cedric Purcell, Purcell y Cia., Huerfanos 812, Santiago, Chile. **IR-SC-108.**

### 3951 Stationery supplies

Santiago office equipment manufacturer seeks licenses to produce stationery supplies, including ball point pens and office equipment. The company employs about 230.

**Write:** Emiliano Santelices, Kegan S.A., Piloto Lazo 235, Santiago, Chile. **IR-SC-63.**

### 4511 Air cargo service

Joint venture sought to establish air cargo service for the shipment of frozen lobsters to the U.S. and tuna fish from the U.S. to Chile.

**Write:** German Munoz, Dir., Financiera de Desarrollo Regional Polinesia Chile, S.A., Teatinos 446, Santiago, Chile. **IR-SC-7.**

### 4832 Radio broadcasting

Operator of a radio station seeks to expand the capacity of the station from 1 to 20 kw through a joint venture with a U.S. firm.

**Write:** Manuel Fonseca Alvarez, Radio Interamericana, Barros Arana 871, d. 51, Concepcion, Chile. **IR-CC-16.**

### 5083 Agricultural equipment distributor

Prominent Santiago importer and distributor of automobiles and agricultural tractors seeks to expand and diversify its operations through an agency agreement with a U.S. firm.

The Chilean company is particularly interested in an affiliation with a U.S. manufacturer of agricultural, mining or general machinery willing to invest $100,000 in return for equity.

**Write:** Fernando Cabezon, Fernando Cabezon Bergasa y Cia. Ltda., Serrano 20, Casilla 3376, Santiago, Chile. **IR-SC-110.**

### 5098 Lumber distributor

Joint venture to develop a lumber exporting operation sought by an entrepreneur proported to own a 26,500 acre timber tract on the Island of Chiloe.

**Write:** Julio Bustos, Fundo CATIAO, Colo Colo 896, Concepcion, Chile. **IR-CC-7.**

### 5812 Eating places

License or joint venture to establish drive-in restaurant chain sought by manufacturer and importer of refrigeration, air conditioning, and construction equipment.

**Write:** Jorge Assler, Gen. Mgr., Assler y Cia. SACI, Santa Elena 1486, Santiago, Chile. **IR-SC-96a.**

### 7011 Hotels and motels

Joint venture or license sought by refrigeration firm to develop motor court system throughout Chile.

**Write:** Jorge Assler, General Manager, Assler y Cia. SACI, Santa Elena 1486, Santiago, Chile. **IR-SC-96b.**

Valparaiso entrepreneur seeks joint venture to build new Hotel-Club.

**Write:** Julio Silva Ch. y Cia. Ltda., Prat 725, Of. 201, Valparaiso, Chile. **IR-VC-12.**

### 8911 Consulting engineers

Santiago firm of consulting engineers seeks a joint venture with a U.S. company to make market and feasibility studies in Chile.

**Write:** Roberto Gillmore D., Mgr., Ingenieros Consultores Asociados, Moneda 856, Santiago, Chile. **IR-SC-72.**

## Paraguay

### 0122 Fruits, tree nuts and vegetables

Asuncion firm seeks a joint venture to develop a palm hearts cultivation and canning operation.

**Write:** Waldemar Acosta, Colonizadora "Tres Fronteras" S.R.L., Alberdi 373 (ler Piso, Depto. 13), Asuncion, Paraguay. **IR-AP-7.**

Joint venture sought to establish avocado cultivation for local consumption and export.

**Write:** Desiderio Segovia, Dir., Productores de Aguacate, Estados Unidos 4, Asuncion, Paraguay. **IR-AP-73.**

### 0130 Livestock

Joint venture sought by a rancher to develop farm and ranch acreage and to improve existing herd.

**Write:** Clara de Pastore, Clara y Moises Pastore, Campos Cervera y Rca. Argentina, Asuncion, Paraguay. **IR-AP-67.**

Asuncion entrepreneur engaged in ranching and the export of tobacco seeks a joint venture to increase the productivity of his ranching operation. This would include the importation of farm equipment.

**Write:** Jorge Morales, Owner, Jorge Morales, Eduardo V. Haedo 638, Asuncion, Paraguay. **IR-AP-31a.**

### 0810 Timber

Lumber or agriculture development venture to develop approximately 245,000 acres of land is sought by an Asuncion lumber exporter.

**Write:** Carlos F. De Paoli, President, La Italo Paraguaya S.A., Mcal. Estigarribia 492, Asuncion, Paraguay. **IR-AP-62.**

Large lumber company seeks participation by a U.S. firm in a major reforestation project to grow softwoods. Approximately $6 million is needed for the venture. The Asuncion firm owns and operates approximately 720,000 acres of hardwood strands in Paraguay.

**Write:** Luis F. Picollo, Owner, FINAP, Independencia Nacional 349, Asuncion, Paraguay. **IR-AP-42.**

### 2011 Meat packing plants

Large meat processor seeks a joint venture with a U.S. firm to expand its present plant capacity and distribution system.

**Write:** Francisco Miranda, Gen. Mgr., INPACAR S.A. (Industria Paraguaya de Carne S.A.), Benjamin Constant 520, Asuncion, Paraguay. **IR-AP-61.**

Meat packer seeks joint venture with a U.S. firm to expand present packing plant operations.

**Write:** Mariano T. Cabanas, Frigorifico Regional de Concepcion, Concepcion, Paraguay. **IR-AP-69.**

Several Paraguayan Colonies of Mennonites in conjunction with the Mennonite Economic Development Association (MEDA) seek joint ventures with U.S. firm for the development of meat-packing plant, wheat production, rice and flour milling, and fruit raising.

**Write:** Isaac Dyck, Director, Comite Central de Mennonitas, Rca. de Colombia 1050, Asuncion, Paraguay. **IR-AP-63.**

Meat processor and distributor seeks to obtain marketing assistance and guidance from a U.S. company in order to enter new markets.

**Write:** Ramon Bogarin, Owner, Ramon Bogarin Ayala, Republica Francesa 1010, Asuncion, Paraguay. **IR-AP-23.**

Cattle rancher seeks a joint venture with a U.S. firm to initiate a major expansion program, to include the establishment of a meat packing operation.

**Write:** Napoleon Morinigo Zarza, Owner, Napoleon Morinigo Farza, Kubicheck 2670, Asuncion, Paraguay. **IR-AP-34.**

### 2033 Canned foods

Distributor of food products seeks joint venture to produce additional brand name food products.

**Write:** Antolin Marin, General Manager, Antolin Ortiz Marin, Pte. Franco y Avenida Pinedo, Concepcion, Paraguay. **IR-AP-71.**

Manufacturer of citrus products seeks joint venture to expand citrus growing and canning operations. It is also interested in securing know-how to develop experimental strawberries.

**Write:** Luis Fustagno, Pres., or Ricardo Fustagno, Gen. Mgr., Industria Citrica Paraguay Luis Fustagno S.A., Palma 598, Asuncion, Paraguay. **IR-AP-78.**

### 2044 Rice milling

Rice manufacturer seeks joint venture to expand its rice growing and milling operation.

**Write:** Enrique Ayala D.y Ramon Fanego, Vice Pres., Cooperativa Productores de Arroz del Paraguay Ltda., 7a e Iturbe y Yegros, Asuncion, Paraguay. **IR-AP-77.**

### 2093 Vegetable oil mills

Joint venture to export castor oil and corn is proposed by an Asuncion firm. The company also seeks a U.S. partner to develop around 120,000 acres of agricultural land.

**Write:** Raul Canas Coronel, Mgr., Federico Abente Pfannl, Estrella 366, Asuncion, Paraguay. **IR-AP-55.**

Coco oil processer seeks joint venture with a U.S. firm to expand coco oil operation and add pressing facilities.

**Write:** Manuel Maria Codas, Owner, Aregua, Paraguay. **IR-AP-58.**

Joint venture with U.S. firms sought to grow and process tung oil, citrus fruits, vegetables and timber.

**Write:** Lorenzo Mengual, Pres., Sociedad Nacional de Agricultura, Ygros 578, Asuncion, Paraguay. **IR-AP-75a.**

### 2099 Other food preparations

Asuncion firm seeks a joint venture to modernize its peanut processing plant and to improve its marketing techniques.

It is also interested in expanding the packaging and distribution of salted peanuts.
**Write:** Felix Medina, Manager, Julia C. de Medina, Mexico 1138, Asuncion, Paraguay. **IR-AP-20.**

### 2111 Cigarettes

Medium-sized manufacturer seeks a joint venture to produce American tobacco cigarettes.
**Write:** Juan B. Fernandez or Jorge Canete Arce, Asst. Mgr., La Vencedora S.A., Chile y 14 de Julio 993, Asuncion, Paraguay. **IR-AP-59.**

### 2431 Millwork

Lumber wholesaler seeks joint venture to manufacture wood doors and frames.
**Write:** Juan Segales, Sociedad De Fomento Industrial, Azara 188-192, Asuncion, Paraguay. **IR-AP-18.**

### 2871 Agricultural chemicals

Technical assistance to expand its existing lime production and to diversify its line of fertilizers and agricultural chemicals is sought by Calera San Blas S.R.L., Attn. Dr. Jorge Benitez S., El Paraguayo Independiente 679, Asuncion, Paraguay. **IR-AP-11.**

Joint venture sought to establish a fertilizer and pesticide plant.
**Write:** Lorenzo Mengual, Pres., Sociedad Nacional de Agricultura, Ygros 578, Asuncion, Paraguay. **IR-AP-75d.**

### 2992 Brake fluid

Importer of automotive parts and accessories seeks a license or joint venture to produce brake fluid, upon the completion of a satisfactory market study.
**Write:** Agustin Bellon, Director, Automotive S.A., Eligio Ayala 439, Asuncion, Paraguay. **IR-AP-15.**

### 3011 Tires

Joint venture to establish a plant to produce automobile and truck tires is proposed by an Asuncion rancher.
**Write:** Jorge Morales, Owner, Eduardo V. Haedo 638, Asuncion, Paraguay. **IR-AP-31b.**

Importer seeks a joint venture to manufacture tires. Cost of the proposed plant is estimated to be between $500,000 and $600,000.
The U.S. firm should be able to supply technical assistance, equipment, and a portion of the capital.
**Write:** Manuel Orue Benitez, Mgr., Elvor S.A., Estrella 567, Asuncion, Paraguay. **IR-AP-60.**

### 3221 Glass containers

Hardware manufacturer seeks a joint venture to produce milk, beer and other types of bottles which are currently being imported.
**Write:** Pablo Daumas Ladouce, Pres., Atlas S.A., Palma 694, Asuncion, Paraguay. **IR-AP-39.**

### 3259 Structural clay products

Asuncion producer of ceramic pipes, bricks and roof tiles seeks a joint venture to expand operations.
The firm is interested in obtaining equipment and technical assistance for the manufacture of floor tiles, decorative wall tiles and eventually bathroom fixtures.
**Write:** Angel Vargas Pena, President, Perez Harrison & Cia., Artigas y Toledo, Asuncion, Paraguay. **IR-AP-4.**

### 3272 Concrete products

Joint venture to establish storage facilities and refrigerated warehouses sought by Lorenzo Mengual, Pres., Sociedad Nacional de Agricultura, Ygros 578, Asuncion, Paraguay. **IR-AP-75c.**

### 3292 Asbestos, cement products

Freight forwarding company is interested in a joint venture with a U.S. asbestos-cement products manufacturer to produce corrugated sheets, tanks and water pipes.
The U.S. firm would supply equipment and technical know-how.
**Write:** Joaquin Alonso, Dir., Joaquin Alonso & Co., S.R.L., Ayolas 182, Asuncion, Paraguay. **IR-AP-2.**

### 3449 Misc. metal work

Producer of metal structures seeks license or joint venture to manufacture silos.
The Asuncion firm is also interested in the purchase of components and machinery used in silos, such as elevating equipment.
**Write:** Normando Torres, Mgr., Ferroplatense, Juan E. O'Leary 890, Asuncion, Paraguay. **IR-AP-37.**

### 3522 Farm machinery, equipment

License to manufacture harrows and planting implements is sought by a producer of metallurgical products.
The Asuncion firm is primarily interested in making implements for use with horses.
**Write:** Vicente Mayor, Mgr., Astillero "San Isidro", De La Residenta y Dr. Mazzei, Asuncion, Paraguay. **IR-AP-35.**

Joint venture sought to establish small agriculture equipment factory including an assembly plant.
**Write:** Lorenzo Mengual, Pres., Sociedad Nacional de Agricultura, Ygros 578, Asuncion, Paraguay. **IR-AP-75b.**

### 3660 Communications equipment

Distributor of communications equipment seeks a joint venture to develop a communications project in Asuncion.
**Write:** Primo Cano Martinez, Owner, Motorola Communications, Herrera 352, Asuncion, Paraguay. **IR-AP-43.**

### 5098 Lumber distribution

Lumber exporter seeks to expand its operation through a joint venture with a U.S. company.
**Write:** Marcial G. Caceres, Chile 765—P. O. Box 1030, Asuncion, Paraguay. **IR-AP-54.**

### 6144 Banking

Asuncion banking organization seeks a joint venture with a U.S. company in the same field.
**Write:** Cesar Avalos, Pres., Financiera Paraguaya, S.A., Alberdi 513, Asuncion, Paraguay. **IR-AP-29.**

### 6510 Apartment, office management

Trading company is interested in joint ventures with U.S. investors in the field of housing and apartment development. The Asuncion firm reports there is potential for condominium type projects.
It is also interested in agricultural and animal husbandry programs.
**Write:** Victor Jose Fadul, Administrative Manager, Indega, S.A., Estrella 451-3er. Piso, Dept. 31, Asuncion, Paraguay. **IR-AP-21.**

Joint venture to construct and manage an office building sought by an Asuncion firm which will provide the land.
**Write:** Mario Iaffei, Mgr., Guarani—S.A. Paraguaya de Seguros, Palma 685, Asuncion, Paraguay. **IR-AP-46.**

### 7011 Hotels and motels

Asuncion entrepreneur seeks joint venture to establish a hotel operation.
**Write:** Isaac Goldenberg, Palma 644, Apartado 276, Asuncion, Paraguay. **IR-AP-45.**

### 7032 Resort area

Asuncion tourist agency seeks a joint venture to develop a tourist project.
**Write:** Blas H. Stefanich, Manager, "Emfotur", Yegros 501/15, Asuncion, Paraguay. **IR-AP-47.**

## Peru revises ground rules for mining investments

Peru has revised the regulations for enforcing the important Article 56 of its Mining Code, which provides incentives for investments in the mining industry. The revisions establish ground rules for investing in new mining ventures or for expanding existing mine installations in Peru.

Loan copies of the regulations as well as the full text of Article 56 of the Mining Code in English or Spanish may be obtained from the American Republics Division, Department of Commerce, Washington, D.C. 20230.

In a related action, negotiations between Peruvian Government officials and mining industry executives are underway regarding removal of the 10% export tax and its replacement by a bond purchase program. If the 10% tax is canceled by mutual agreement, one large obstacle to substantial mining investments will have been removed.

## Somali firm proposes joint mining venture

A small Somali firm seeks a joint venture arrangement with an American firm in mining substantial tin deposits on the coast of the Gulf of Aden.

The ore exists in the forms of placer and vein deposits with the veins in the form of large crystals. The cassiterite content of the ore is 74% Sn 02. Water is available on the surface with greater quantities available at a depth of 100 feet. Ore deposits estimated at 100,000 tons exist at approximately the same depth. **Write:** Mr. Ali Artan, Sheikh Yusuf Sheikh Madar Mining Company, Somali. WTD.

# European Companies seek U.S. licensees for their products

Manufacturers in Italy and West Germany and an inventor in Switzerland are seeking U.S. licensees to produce and distribute their products for the U.S. market.

Products offered are a module construction system, prefabricated hospital construction technique, cosmetics and toiletries.

For additional details and the name and address of the firm, write the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• A Swiss inventor and entrepreneur is seeking a U.S. licensee to produce the metal portion of his module construction system.

The system consists of standard metal frames which when placed in position at building sites serve as molds for the injection of concrete. Rough walls, floors and ceilings are produced, and the system allows for easy installation of plumbing, heating and other fixtures. Its main advantages are claimed to lie in versatility, rapid assembly and construction of buildings and economy.

The system received an award at the Brussels Inventors Fair in 1967. Application has been made for a U.S. patent. **File 1605.**

• A West German firm is offering to a U.S. licensee what it claims is the world's first prefabricated hospital. The company believes its building has particularly promising advantages for rural applications and that it can also serve well as an emergency facility which can be stored "knocked down" for later use.

A hospital architect created the hospital's basic design and the system of interlocking prefabricated panels used in its construction. The development of the finished product was carried out over a four-year period by a Swiss-Austrian-German engineering group working with manufacturers of electrical; sanitary and heating equipment; medical and hospital apparatus.

The promoters have erected a sample section of a complete hospital in Duesseldorf. It has a ward, private and semi-private rooms, and is fitted with air heating and cooling system, bath and sanitary facilities, sterilizing unit and all utilities. The hospital's construction utilizes the post and beam principle and features exterior/interior prefabricated sandwich wall panels with built-in windows, doors and utility lines and outlets.

In this new system all ceiling, wall and floor units and structural members are fully manufactured and finished at a central factory. Upon delivery to a building site, they need only be assembled according to one of several alternative prearranged floor-plans, and the furniture and equipment installed. The materials and construction throughout were specially chosen for the quiet, sanitary, and heavy use required for hospital service. The building is presently available in single story design only.

The sandwich wall panels are made of corrosion resistant steel and come in several standard sizes. The service side of each panel has a durable and easily cleaned baked enamel finish, the panel center consists of inert heat and sound insulating material. Individual panels can be removed after erection for service work. Standard size roof and floor panels are also provided in the design.

Three basic hospital layouts of 80, 120, and 160 beds have been developed. All include patient rooms, service and supply section, medical unit, and surgery. **File 1606.**

• An Italian manufacturer of pharmaceuticals, chemicals and beauty preparations, is seeking a U.S. licensee to manufacture and market its complete line of cosmetics and toiletries. **File 1562-R.**

## Indonesian textile firm proposes joint venture

An Indonesian firm trading in textiles since 1930 seeks a joint venture with an experienced U.S. company to establish a spinning and fabric mill for blended fabrics of polyester fibers. The proposed size of the mill is 30,000 spindles and 800 weaving looms with annual production capacity of 12 million yards.

The plant would be the first blended fabric textile mill in Indonesia and the proposer believes market potential is excellent due to the growing demand for synthetics in the Indonesian market. According to the firm, the only competition encountered is imports from Japan, Communist China, South Korea and Taiwan, all of which can be undersold by locally manufactured products.

**Write:** P. T. Rahman Tamin, Pintu Ketjil 35, Djakarta, Indonesia. WTD.

# German companies look for U.S. links with five proposals

Five German companies are interested in licensing arrangements with U.S. manufacturers: One firm wants to manufacture highly developed label printing machines, the others are interested in electrical machinery for the plastics industry; suspenders, belts and socks; medium size woodworking machinery; and small electric household appliances. Their proposals follow:

• A German manufacturer of label printing machinery is interested in obtaining a license for the production of highly developed label printing machines.

The firm has about 80 employees and reports annual sales of $600,000.

**Write:** Karl Gronemeyer KG, 6070 Langen, Moerfelder Landstr. 35, Germany. WTD.

• A prominent German manufacturer of suspenders, belts and socks desires to expand present line through license of similar products of American companies.

**Write:** Arthur Schaper, 50-54 Ferdinant-Thun-Strasse, 56 Wuppertal-Barmen, Germany. WTD.

• A manufacturer of commutators, precious metal electrical contacts, and collector rings seeks a licensing agreement with a U.S. company.

The German concern is interested in producing electrical or electronic industrial testing and controlling equipment, electrical machinery for the plastics industry, and plastic products for use in the electrical industry.

Established in 1961, the German company has around 120 employees and estimated annual sales of $750,000. The firm is also a subsidiary of a leading German manufacturer of carbon brushes, brush holders and carbon electrodes.

For further details write: Kollektra Kollektoren-Fabrik GmbH, 6301 Krofdorf-Gleiberg, Germany. WTD.

• A producer of thermal serving carts, electric mixers, grills, deep fat fryers seeks licenses from U.S. manufacturers for the production of small electric household appliances such as hairdryers, knife sharpeners, juicers, toasters and can openers.

The firm owns modernly equipped manufacturing facilities, a warehouse and sales offices.

**Write:** C. Heinrich Waltke, 9 Stiftsallee, 495 Minden, Germany.★ WTD.

• A West German manufacturer of woodworking machinery wants to implement its current diversification program by becoming the licensee of an experienced U.S. firm to make all types of small and medium size machines in its field.

The firm would also consider offers from possible licensors in other fields of machinery construction to make machines for the rubber, metalworking and ceramics industries. It has 37 employees and its products are reported to enjoy a good reputation.

**Write:** "Meisterin" Maschinenfabrik Hans Fleckenstein GmbH, 90 Marnheimerstrasse, 16719 Kirchheimbolanden, Federal Republic of Germany. WTD.

## Joint venture proposed by Argentine firm to expand furniture, shelf production

A manufacturer of supermarket display racks, modular home and office furniture and wood and metal partitions and shelves is interested in a joint venture with an American firm for the expansion and retooling of its present production facilities.

Capital participation of approximately $250,000, principally for the purchase of new machinery and equipment, plus technical assistance, is sought from a prospective U.S. partner.

The annual volume of sales of the company is estimated at 200 million Argentine pesos ($800,000). The local market offers potential for larger production and future sales prospects with the LAFTA area countries are very promising.

**Write:** Cita S.A., Avda Presidente Roque S. Pena 1164, Buenos Aires, Argentina.★ WTD.

## Nicaraguan manufacturer seeks to expand product line

Nicaragua's only manufacturer of industrial and agricultural trailers seeks a license or joint venture agreement with a U.S. firm in order to expand its current production.

The Managua firm wants to manufacture a wider variety of trailers and wagons as well as such agricultural implements as plows, shredders, harrows, and cultivators. Reportedly, the Ministry of Economics has exempted the firm from import duties and local taxes.

**Write:** P-294, Office of International Investment, BIC-878, Department of Commerce, Washington, D.C. 20230.

# Cent. America plans communications net

### New system to house 33 terminal, repeater stations, radio paths

The Central American Regional Telecommunications Technical Commission has announced that the Regional Telecommunications Network project will be open for bids on July 1. Proposals will be accepted for a period of 120 days thereafter.

The project represents the backbone of a regional microwave system designed to interconnect the five capitals of the Central American Republics in a regional network with interconnection to other worldwide facilities via Mexico and Panama.

The microwave route between Guatemala and Costa Rica is approximately 800 miles and current pre-engineering of the transmission network indicates the system will require around 33 terminal repeater stations with 33 radio paths.

To obtain bidding documents and complete information about the project interested U.S. firms should **write:** Engineer Antonio Canas, Coordinator COMTELCA, San Pedro de Montes de Oca, San Jose, Costa Rica.

## AMA schedules seminars on tax, pricing problems

The American Management Association has scheduled a series of seminars on tax and pricing problems in international operations, to be held during July.

The first, Problems of Cost Allocation and Pricing Between Domestic and International Operations, is scheduled for July 8-10.

A seminar on Solving Tax Problems in International Pricing will be held July 10-12, and will include both presentation and discussion.

Another workshop seminar will be held July 29-31 on Effective Utilization of the U.S. Foreign Tax Credit.

All the sessions will be held at A.M.A. Headquarters. The registration fee is $165 for members, $190 for non-members for each session. Membership is limited. For further information, **write:** American Management Assn., Inc., 135 West 50th St., New York, N.Y. 10020.

## License to make conveyors sought by Japanese firm

A leading manufacturer of conveyor systems seeks to produce under license process conveyor systems, such as overhead conveyors for automobile and electronic appliance assembly and automated warehouse systems.

The Japanese concern recently installed the world's longest conveyor for a Peruvian mining company.

**Write:** Nippon Conveyor Co., Ltd., 600-1 Oaza Fukano, Daito, Osaka, Japan. WTD.

## Licensing arrangements requested by French firm

A French firm seeks arrangements with U.S. manufacturers of paper and textile mill machinery to install, maintain and service this type of equipment in the Common Market countries.

The French company, which produces calender rolls, is also interested in obtaining licenses to manufacture newly developed paper and textile mill machinery.

**Write:** Mecal S.A., 27 Route de la Federation, 67 Strasbourg-Meinau, France. WTD.

## International bidders to supply power project

All equipment and materials purchased with a $15.25 million World Bank loan to a Nicaraguan power project will be procured through international competitive bids.

The project being assisted by the Bank loan consists of the addition of a 40-megawatt unit at the existing 30-megawatt thermal plant in Managua; the construction of a new 50-megawatt hydroelectric plant, known as Santa Barbara, on the Viejo River; and transmission facilities to connect the Santa Barbara plant with the integrated transmission system.

The total estimated cost of the project is equivalent to $24.7 million.

The company which supplies most of the country's power, Empresa Nacional de Luz y Fuerza (ENALUF), was the recipient of the loan. ENALUF's main service area is the Pacific slope which contains most of the population and all industry.

ENALUF's power sales have been growing at the rate of 23% annually since 1958.

# Malagasy plans school complex; invites prequalification bids

The Government of the Malagasy Republic seeks prequalification applications for bidding on a school complex expected to cost $3,400,000.

The project is to be financed by the Malagasy Government and the International Bank for Reconstruction and Development (World Bank).

The construction consists of 24,000 sq. m. of classroom space, 8,300 sq. m. of dormitory space, and 8,660 sq. m. of area for the general services section.

Prequalification deadline is July 11. Offer bids will probably be made on or around Aug. 10.

Companies should submit the following information:

Name and address of company.

Declaration of intention to bid on the project.

Indication that the nationality of the firm is that of an IBRD member state, with proof consisting of certificate of nationality in accordance with law of country of nationality.

Details concerning bylaws of participating firm or firms with duly certified documents indicating company organizational structure.

Demonstration that interested firm is technically and financially capable of executing project in question, with details concerning probable equipment and construction material required and anticipated delivery schedule.

Outline of personnel available, including list of persons who would be primarily responsible for directing the construction work.

Examples of similar projects undertaken by firm with appropriate value of and date of construction.

Indication of number of detailed bid dossiers which applicant may purchase if preselection tender is accepted.

Tenders should be prepared on plain white paper (no letterhead) and sent registered airmail to Directeur General de L'Equipment et de L'Aeronautique, Service de L'Administration Section G, Boite Postale 295, Tananarive, Malagasy Republic. Upper left hand corner of the envelope is to be marked: Preselection Complexe Scolaire. Submissions are preferred in French; however, those in English will be acceptable.

Further details on this project are available from Mr. Kin Maung Thint of the International Bank for Reconstruction and Development, 1818 H. St., NW., Washington, D.C. 20433.

## Mozambique extends deadline for supply of electric cranes

The Treasurer, Lourenco Marques Division of Harbors, Railways and Transports, Lourenco Marques has extended the bid deadline for Tender No. 100/68, covering the supply and installation of 12 electric cranes, from June 12 to Aug. 12. (International Commerce, SIC-353, Apr. 22, p.40).

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

*Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.*

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the Trade Opportunities Staff, BDSA-624, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

**WTD** indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

## Sales Leads for Exporters

*Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.*

### 011 Field crop farms

**MALAYSIA**—Rice, white, 20 to 35% broken. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

### 086 Gathering of forest products

**MALAYSIA**—Ginseng flowers. B. B. Trading Co. (importer, wholesaler, retailer), 4 (1st floor) Ampang St., P.O. Box 733, Kuala Lumpur. WTD 5/68.

### 132 Natural gas liquids

● **GREECE**—The Governmental Hellenic Industrial Development Bank (ETBA) solicits bids from qualified consulting firms for the preparation of a feasibility study to determine the extent of potential utilization of gas as a source of energy, and the means for modernizing and expanding the greater Athens area gasworks. Work to be performed in Greece in close cooperation with ETBA and Athens Municipal Gasworks Enterprise.

June 30, is bid deadline for submission of proposals to the issuing agency, located at 20 Amalias St., Athens.

### 201 Meat products

**AUSTRALIA**—Canned chicken. Direct purchase and agency. Exclusive Food Houses (distributor, exporter, importer), P.O. Box 19, Ormond, Victoria. WTD 5/68.

### 203 Canning, preserving foods

**AUSTRALIA**—Canned cherries, figs, dates, apple sauce, cranberry sauce, salad dressings and sauces, olives, gherkins, grapefruits, carrot juice, red kidney beans, yams. Direct purchase and agency. Exclusive Food Houses (distributor, exporter, importer), P.O. Box 19, Ormond, Victoria. WTD 5/68.

**MALAYSIA**—Canned abalone. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

★★ **PARAGUAY**—Wide range of food products. Antolin Marin S.A. (sales representative), Pte. Franco y Avenida Pinedo, Concepcion. WTD in preparation. TM-62.

### 206 Sugar

**MALAYSIA**—White sugar. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

### 208 Beverage industries

★★ **CHILE**—Hops, 120-180 day terms. Mario Reinike S. (importer), Diez de Julio 335, Santiago. WTD in preparation. TM-82.

★★ **PARAGUAY**—Malt extract in white oak barrels to mix with local alcohol and create 86 proof American whisky blend; market U.S. or under local brand name. Rogelio G. Bozzano (manufacturer), Gral. Diaz 1284, Asuncion. WTD in preparation. TM-1A.

### 209 Food preparations

**GERMANY**—Soybean oil, cake and meal; oilseeds, oil cake and vegetable oils of all kinds. Requests price quotations c.i.f. Rotterdam or Hamburg. Direct purchase and agency. Brand & Co. KG. (importer, exporter, wholesaler), 404 Neuss/Rh., Postfach 583. WTD 5/68.

### 211 Cigarettes

**AFGHANISTAN**—Cigarettes. Sher Mohammed Shujazadeh (importer, wholesaler), Rm. No. 43, Pashtoon Market, Kabul. WTD 5/68.

### 220 Textile mill products

**MALAYSIA**—Broad woven fabrics, gray goods, cotton, synthetic. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

### 221 Broad woven fabric mills, cotton

**GERMANY**—Unbleached sheeting, 128/140; unbleached poplin, width 44 to 51″; new cotton remnants for the manufacture of polishing discs. Requests price quotations c.i.f. Bremen. "Bi-Flex" Birkenstock KG. (importer, wholesaler), 23-25 Buchenofener Strasse, 56 Wuppertal-Vohwinkel. WTD 5/68.

**HONG KONG**—Bedsheets, bedspreads. Crane Stores, Ltd. (retailer, importer, exporter), 7/F, Yung Hing Bldg., 608 Nathan Rd., Kowloon. Cable: Cranestore. WTD 5/67.

**MALAYSIA**—Terry cloth towels. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

### 222 Broad woven fabric mills, manmade fiber, silk

**HONG KONG**—Spandex netting. Ufinimpex, Ltd. (importer, wholesaler, exporter), P.O. Box 686. Cable: Ufinimpex. WTD 9/67.

### 225 Knitting mills, products

**HONG KONG**—Hosiery, sweaters. Crane Stores, Ltd. (retailer, importer, exporter), 7/F, Yung Hing Bldg., 608 Nathan Rd., Kowloon. Cable: Cranestore. WTD 5/67.

### 227 Floor covering mills, products

**SWITZERLAND**—Floor coverings. Direct purchase and agency. Sigfried Weber AG (importer, wholesaler), Imbisbuehlstrasse 128, 8049 Zurich. WTD 5/68.

### 228 Yarn, thread mills, products

**HONG KONG**—Nylon thread, elastic batiste. Ufinimpex, Ltd. (importer, wholesaler, exporter), P.O. Box 686. Cable: Ufinimpex. WTD 9/67.

### 229 Textile goods

**GERMANY**—Cotton waste, unbleached cotton, twill, canvas, sheeting, new-khaki and linen up to and over one yd. for production of polishing discs. Requests price quotations c.i.f. Hamburg or Bremen. Produktenwerk GmbH. (importer, wholesaler), 484 Rheda/W., Bosfelder Weg 47-49. WTD 5/68.

Nylon waste resulting from spinning mills, tufting yarn waste. Findeisen & Weber (manufacturer, importer, exporter, wholesaler), 7505 Ettlingen/Baden, Post Office Box 127. WTD 9/67.

**PORTUGAL**—Raw wool, wool tops and noils; acrylic, polypropylene, other man-made fibers for use in textile industry. Direct purchase and agency. Hilario Dias Freire & Ca. Lda. (importer, sales agent), Apartado 162, Covilha. WTD in preparation.

### 232 Men's, youths', boys' furnishings, work clothing

**SWITZERLAND**—Men's, youths', boys' wear, swimsuits, beachwear. Direct purchase and agency. Braendli & Zimmermann AG (importer, distributor), Ankerstrasse 24, 8026 Zurich. WTD 5/68.

### 233 Women's, misses', juniors' outerwear

**SWITZERLAND**—Women's, girls', juniors' outerwear, swimsuits, beachwear. Direct purchase and agency. Braendli & Zimmerman AG (importer, distributor), Ankerstrasse 24, 8026 Zurich. WTD 5/68.

### 234 Women's, misses', children's, infants' undergarments

**SWITZERLAND**—Women's, misses', children's undergarments, lingerie, loungewear, bras, girdles, foundation garments. Direct purchase and agency. Braendli & Zimmerman AG (importer, distributor), Ankerstrasse 24, 8026 Zurich. WTD 5/68.

### 244 Wooden containers

★★ **PARAGUAY**—Twenty oak casks of 5,000 to 10,000 liter capacity for use in production of local alcoholic beverage. Bodega "Antonina" (wholesaler), Palma y Garibaldi, Asuncion. WTD in preparation. TM-20.

### 249 Wood products

**GERMANY**—Plastic-coated wood fiber board, chip boards. Requests price quotations c.i.f. Hamburg. Requests replies in German. Hermann Fritche GmbH. (distributor, importer), 41-43 Lagesche Strasse, 492 Lemgo. WTD 5/68.

### 251 Household furniture

**GERMANY**—Upholstered household furniture, all types. Direct purchase and agency. Ernst Stark & Co. KG (manufacturer), Polstermoebelfabrik, 717 Schwaebisch Hall, Daimlerstr. 31. WTD 11/67.

### 262 Paper mills, products

**AFGHANISTAN**—Wrapping paper for packages. Yellow kraft paper for packing fruits. Sher Mohammed Shujazadeh (importer, wholesaler), Rm. No. 43, Pashtoon Market, Kabul. WTD 5/68.

### 264 Converted paper, paperboard products

★★ **CHILE**—Paper honey comb for use as filler in sandwich construction for building material. Plasticos Nacionales, S.A. (manufacturer), Franco Bozalla E., Baldovinos 473, Santiago. WTD in preparation. TM-87.

★★ **PARAGUAY**—Paper cups, plates. Goliat Paraguaya S.R.L. (manufacturer), El Paraguayo Independiente 679, Asuncion. WTD in preparation. TM-2B.

**SOUTH AFRICA**—Gummed tape; 2″, 2½″ and 3″ wide, on base weight paper 80 gms. per sq. m.; 1″ and 1½″ wide x 500 ft. rolls on base weight paper 60 gms. per sq. m. Requests cabled offers with price c.i.f. Durban. Tapes & Adhesive Products (Pty.) Ltd. (manufacturer), P.O. Box 27015, Benrose, Johannesburg. WTD 4/68.

### 272 Periodicals: publishing, printing

**MALAYSIA**—All kinds of periodicals, magazines. Direct purchase and agency. International Corp. (importer, wholesaler, retailer, commission merchant), 15-H Jalan Bukit Meldrum, Johore Bahru, Johore. WTD 5/68.

### 273 Books

**MALAYSIA**—Books of all kinds, including technical, scientific, professional. Direct purchase and agency. International Corp. (importer, wholesaler, retailer, commission merchant), 15-H Jalan Bukit Meldrum, Johore Bahru, Johore. WTD 5/68.

### 274 Publishing

**SWITZERLAND**—Reference books, directories. Direct purchase and agencies. Verlag fuer Wirtschaftsliteratur GmbH. (manufacturer, distributor, exporter), Birmensdorferstr. 421, 8055 Zurich. WTD 5/68.

### 281 Industrial chemicals

**GERMANY**—Basic chemicals of all kinds, primarily for aluminum, glass, plastic, rubber and chemical industries. Requests price quotations c.i.f. Hamburg or Bremen or f.o.b. American ports. Direct purchase and agency. Montangesellschaft GmbH. (importer, exporter, wholesaler. manufacturer, sales agent), 5 Koeln a. Rh., Hohenzollernring 103. WTD 5/68.

Industrial inorganic, organic chemicals of all kinds. Requests price quotations f.o.b. American ports or c.i.f. Rotterdam, Bremen or Hamburg. Direct purchase and agency. "Brenntag" GmbH. (wholesaler, sales agent, importer, exporter), 433 Muelheim/Ruhr, Postfach 320. WTD 5/68.

**MALAYSIA**—Urea, 46% nitrogen, double super phosphate, 22-22-0. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

★★ **PARAGUAY**—Household bleaches in bulk for packaging in Paraguay. Can apply supplier trade mark if desired. Heisecke & Co. S.A.C.I. (manufacturer), Peru & Mariscal Lopez, Asuncion. WTD 10/67. TM-15.

★★ Alkali products, other industrial chemicals; primarily for sale to oil, soap, textile industries. Empresa Manuel Ferreira S.A. (importer, exporter), Benjamin Constant y 14 de Mayo, Asuncion. WTD 1/68. TM-6.

★★ Sodium carbonate, potassium carbonate, sodium silicate, sodium meta silicate, dyes, detergents, similar materials. La Pilarica S.R.L. (soap manufacturer), Gray. Garay y Andrade, Asuncion. WTD in preparation. TM-61.

## 282 Synthetic materials

**GERMANY**—Plastics materials, synthetic resins of all kinds. Requests price quotations f.o.b. American ports or c.i.f. Rotterdam, Bremen or Hamburg. Direct purchase and agency. "Brenntag" GmbH. (wholesaler, sales agent, importer, exporter), 433 Muelheim/Ruhr, Postfach 320. WTD 5/68.

Nylon fibers, polypropylene fibers, nylon fiber waste. Findeisen & Weber (manfacturer, exporter, importer, wholesaler), 7505 Ettlingen/Baden, P.O. Box 127. WTD 9/67.

## 283 Drugs

**GERMANY**—Pharmaceutical raw materials, barbiturates, other products. Direct purchase and agency. Chemische Fabrik Berg GmbH. (wholesaler, manufacturer, agent), 23 Altenaer Strasse, 568 Luedenscheid. WTD 3/68.

## 284 Soap, detergents, cleaning preparations, perfumes, cosmetics

★★ **CHILE**—New pharmaceutical, toiletry, cosmetic products in basic form suited for final processing, packaging in Chile. Rene de Rivarola, Laboratorios Didier y Cia. Ltda. (manufacturer), Santo Domingo 1785, Santiago. WTD in preparation. TM-97.

**MALAYSIA**—All kinds of beauty preparations including cold creams, skin preparations, lipstick, nail polish, talcum, eau de cologne, toilet water, perfumes. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

★★ **PARAGUAY**—Detergents, sanitizing cleaners, deodorants in bulk for packaging in Paraguay. Can apply supplier trade mark if desired. Heisecke & Co. S.A.C.I. (manufacturer), Osvaldo Heisecke Ferreira, Peru & Mariscal Lopez, Asuncion. WTD 10/67. TM-14.

★★ Caustic soda, coloring and perfumes, raw materials for soap manufacture. La Pilarica S.R.L. (manufacturer), Gral. Garay y Andrade, Asuncion. WTD in preparation. TM-60.

## 285 Paints, varnishes, lacquers, enamels

★★ **CHILE**—Paint or other coating to protect against corrosion in steel holds in which fish are stored in trawlers. Industrial de Maquinaria y Tecnica (importer), Manuel Montt 2162, Santiago. WTD in preparation. TM-95.

## 287 Agricultural chemicals

**MALAYSIA**—Binary complex fertilizers. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

## 289 Chemical products

★★ **CHILE**—Basic chemical materials and know-how for compounding speciality chemical products for automotive industry. Currently compounds packages, and sells antifriction, motor tune-up, cleaners, under own trade mark. Joaquin Model y Cia. Ltda. (manufacturer), Bilbao 5541, Santiago. WTD 5/67. TM-73.

★★ **PARAGUAY**—Household cement, glues in bulk for packaging in Paraguay. Can apply supplier trade mark if desired. Heisecke & Co. S.A.C.I. (manufacturer, Osvaldo Heisecke Ferreira, Peru & Mariscal Lopez, Asuncion. WTD 10/67. TM-13.

## 291 Petroleum refining

**AFGHANISTAN**—High grade lubricating oils for heavy-duty diesel, gas trucks. Amin Joint Stock Co. (importer, wholesaler), Pashtoon Market, Kabul. WTD 5/68.

**MALAYSIA**—Asphalt. Tai Teik & Co. (commission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

## 301 Tires, tubes

**AFGHANISTAN**—Truck, passenger car tires. Amin Joint Stock Co. (importer, wholesaler), Pashtoon Market, Kabul. WTD 5/68.

## 306 Fabricated rubber products

**MALAYSIA**—Foam rubber padding for use on brassieres. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

## 307 Plastic products

**GERMANY**—Plastic laboratory supplies, equipment; plastic tableware for hotels, restaurants. Requests price quotations c.i.f. Hamburg. Requests replies in German. Rudolf Bonn (distributor, importer), 208 Koelnstrasse, Postfach 107, 504 Bruehl. WTD 5/68.

★★ **PARAGUAY**—Transparent plastic meat trays for holding, wrapping retail meat cuts. Ramon Bogarin (meat slaughtering, distributor), Republica Francesa No. 1010, Asuncion. WTD in preparation. TM-19.

## 326 Pottery, related products

**HONG KONG**—Household kitchenware. Crane Stores, Ltd. (retailer, importer, exporter), 7/F, Yung Hing Bldg., 608 Nathan Rd., Kowloon. Cable: Cranestore. WTD 5/67.

## 331 Steel mill product

**AFGHANISTAN**—Barbed wire. Sher Mohammed Shujazadeh (importer wholesaler), Rm. No. 43, Pashtoon Market, Kabul. WTD 5/68.

## 334 Secondary smelting, refining of nonferrous metals

**GERMANY**—Base metals of all kinds, alloys and technical specialties, primarily for aluminum, glass, plastic, rubber and chemical industries. Requests price quotations c.i.f. Hamburg or Bremen or f.o.b. American ports. Direct purchase and agency. Montangesellschaft GmbH (importer, exporter, wholesaler, manufacturer, sales agent), 5 Koeln a. Rh., Hohenzollernring 103. WTD 5/68.

## 335 Rolling, drawing, extruding of nonferrous metals

**GUATEMALA**—Copper tubing, pipe. Requests replies in Spanish. Direct purchase and agency. Representaciones "Orion" (importing distributor, representative), Via 7, 5-47, Zona 4, Apartado Postal 919, Guatemala City. WTD 5/68.

## 342 Cutlery, hand tools, general hardware

★★ **CHILE**—All types of mechanics tools, garage service equipment. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-112.

**MALAYSIA**—Nail clippers. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

★★ **PARAGUAY**—Mechanics tools for wholesale, retail distribution. Desiderio Segovia, Jr. (mechanical repair), 25 de Agosto y Cerro Cora, Asuncion. WTD in preparation. TM-22.

**SWITZERLAND**—General industrial, automotive tools. Direct purchase and agency. Acar AG (distributor, importer, agent), Hardstr. 1, POB, 8040 Zurich. WTD 5/68.

## 344 Fabricated metal products

● **IRAN**—The Iranian Tobacco Monopoly is inviting bids for the following type boilers:

Tender No. 13561 for two units automatic steam boilers. Steam generating capacity four tons per hr at 13 atmospheres operating pressure. Boiler should be of the three-pass type utilizing heavy fuel oil. Bid deadline 9 a.m. July 27.

Tender No. 13744 for two units automatic water boilers to provide hot water for central heating installation of Esfahan factories. Boiler pressure level should be three atmospheres and furnish half million kilo calories per hr. Burner to utilize Iranian Mazout (heavy oil) with firing effected by gas. Bid deadline 9 a.m. July 29.

Bids must reach the Iranian Tobacco Monopoly, Tehran, Iran no later than specified deadlines.

Copies of specifications are available for reference only, at the Department of Commerce, BDSA-662, Rm. 4124, Power and Electrical Equipment Div. 14th & Constitution Av., N.W., Washington, D.C. 20230. (Telephone: 202-967-4241).

## 349 Fabricated metal products

★★ **CHILE**—Industrial valves (ball-type; glove type and gate valves) to complete mill supply, hardware stock. Montero S.A.C. (importer, wholesaler, retailer), Alameda 1493, Santiago. WTD in preparation. TM-151.

★★ Pneumatic timers, high pressure hydraulic steel pipes up to 6,000 lbs. pressure, and fitting, hydraulic filters, accessories for pneumatic automation. Vignola y Cia. (importer), Peral 25, Valparaiso. WTD in preparation. TM-177.

**GUATEMALA**—Steam fittings and specialties, reducing valves, steam traps, couplings, pipe fittings. Requests replies in Spanish. Direct purchase and agency. Representaciones "Orion" (importing distributor, representative), Via 7, 5-47, Zona 4, Apartado Postal 919, Guatemala City. WTD 5/68.

Tin containers with aerosol valves, in 3" and 6" sizes, suitable for packaging shaving

creams. Industria Cosmetica Guatemalteca-Incogua (manufacturer), 5a. Avenida 10-17, Zona 9, Apartado Postal 405, Guatemala City. WTD 5/68.

## 351 Engines, turbines

★★ **CHILE**—Automotive and truck engines: diesel, gasoline. Diesel Electric Jose Heller H. (importer), San Martin, Concepcion. WTD in preparation. TM-166.

## 352 Farm machinery

★★ **CHILE**—Agricultural machinery. Maquinarias Codina (importer), Agustinas 1343, Santiago. WTD in preparation. TM-138.

★★ Household electric lawnmowers. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-183.

★★ **PARAGUAY**—Tractors, farm implements. Suney Paraguay (importer), Ind. Nacional 349, Asuncion. WTD in preparation. TM-10.

★★ Twenty windmills 3-4 meters high with 4" piston. German Jara (rancher), Espana y Padre Cardozo, Asuncion. WTD in preparation. TM-48.

★★ Tractors. Empresa Manuel Ferreira S.A. (importer, exporter), Benjamin Constant y 14 de Mayo. Asuncion. WTD 1/68. TM-8.

**SWEDEN**—Garden machinery, such as tractors, power hedge trimmers, larger lawn mowers, cultivators, leaf collectors. Agency and direct purchase. Naveqvarns Motor AB (agent, wholesaler), Fleninge, S-260 35 Odakra. WTD 3/68.

## 353 Construction, mining, materials handling machinery, equipment.

**CHILE**—Water-well drilling equipment. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-182.

★★ Winches for fishing trawlers. Must be mechanical drive; mobile cranes for use in unloading fishing trawlers. Industrial de Maquinaria y Tecnica (importer), Manuel Montt 2162, Santiago. WTD in preparation. TM-137.

★★ Materials handling equipment. Vignola y Cia (importer), Peral 25-Plaza Justicia, Valparaiso. WTD in preparation. TM-111.

★★ Material handling equipment for screw manufacturing plant of about 75,000 sq. ft. Plant layout available for planning, quoting system. Rafael Budnik, American Screw (Chile), S.A. (manufacturer), Casilla 9229, Santiago. WTD in preparation. TM-99.

★★ **PARAGUAY**—Water-well drilling rigs. Suney Paraguay (importer), Ind. Nacional 349, Asuncion. WTD in preparation. TM-11.

★★ Construction equipment. Alejandro Dedoff (importer), Haedo 307, Asuncion. WTD in preparation. TM-40.

★★ Construction equipment materials; especially new types of material. Request replies in Spanish. Centro De Constructores De Obras Del Paraguay (construction materials), Av. Eusebio Ayala 384, Asuncion. WTD in preparation. TM-41.

**SWEDEN**—Truck mounted cranes with a lifting capacity of more than 24 tons, crawler mounted cranes, truck and crawler mounted cranes with tower attachment. Direct purchase and agency. AB Bjornkranar (manufacturer), Fiskaregatan 3, S-531 00 Lidkoping. WTD 5/68.

● **YUGOSLAVIA**—Bids asked for motor graders, scrapers, dozers, loaders, rollers, crushers, asphalt plants, finishers, vibrators, compactors.

Tender No. Sl. List #17 4/29/68. Bid deadline July 28. Detailed specifications and quantities available by contacting Gradjevinsko preduzece PUT, Sarajevo/ ulica JNA 17.

## 354 Metalworking machinery

★★**CHILE**—Metalworking machine tools suitable for low to medium production such as: lathes; milling machines; punch presses; surface grinders. Mr. Elemberg, Materiales Tecnicos S.A. Ltda. MATEC (importer, distributor), Ahumada 131 Of. 608, Santiago. WTD in preparation. TM-85.

★★ TIG or other suitable welding equipment, 75 KVA, for manufacture of gasoline tanks, other automotive equipment. Auto Piezas y Partes S.A. (manufacturer), Tarma Tambo 2706, Santiago. WTD in preparation. TM-121.

★★ Small electric hand tools. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-179.

★★ Manual electric drills and bits, garage service air compressors, thread-cutting tools, wheel alignment equipment, oxyacetylene welding equipment. Jorge Chavez (importer, wholesaler, retailer), Libertad 255, Vina del Mar. WTD in preparation. TM-171.

★★ **PARAGUAY**—Construction equipment, including heavy duty spotwelder for ST 37 steel. Ferropiatense (manufacturer), Mr. Weinberger, Mr. Torres, Juan E. O'Leary 890, Asuncion. WTD in preparation. TM-30.

★★ Maintenance, repair equipment for automobiles. Desiderio Segovia Jr. (mechanical repair), 25 de Agosto y Cerro Cora, Asuncion. WTD in preparation. TM-24.

**SWITZERLAND**—Power driven hand tools, tools and attachments for machine tools, plumbing and heating tools. Direct purchase and agency. Tristar AG (importer, distributor), 2 route de Jussy, 1225 Chene-Bourg, Geneva. WTD 3/67.

General garage equipment. Direct purchase and agency. Acar AG (distributor, importer, agent), Hardstr. 1, POB, 8040 Zurich. WTD 5/68.

## 355 Special industry machinery

**AFGHANISTAN**—Complete equipment, machinery for vegetable oil extraction from cottonseed, linseed, sesame seed with annual capacity of 3000 tons; must include electric generating plant to operate. Qumberby and Bros. (manufacturer, exporter), Apt. 118, Zurghuna Maidan, Kabul. WTD 5/68.

Textile machinery, cotton, rayon, with annual capacity of one to five million meters. Amin Joint Stock Co. (importer, wholesaler), Pashtoon Market, Kabul. WTD 5/68.

Machinery to manufacture leather from cattle, sheep, goat (500 skins per day); equipment for processing 500 animal casings per day; machinery for tanning 500 skins per day. Haji Mohammad Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

★★ **CHILE**—Complete fruit, vegetable, meat-packing equipment for marketing retail packs in supermarkets. Almac S.A. (canning, processing food), Americo Vespucio 1770, Santiago. WTD in preparation. TM-152.

★★ Meat and produce packaging equipment for pre-packing retail units of cut meat, fresh fruits, vegetables, including potatoes, in heat sealing polyethylene or cellophane laminates; sugar retail packing equipment. Unicoop (wholesaler, retailer), Castilla 3110, Santiago. WTD in preparation. TM-150.

★★ Plastic foam producing machines; fish processing, filleting, canning machines. Industrial de Maquinaria y Tecnica (importer), Manuel Montt 2162, Santiago. WTD in preparation. TM-94.

★★ Artificial drying equipment for peaches, related packaging machinery; freeze-drying equipment. Oscar Spichiger y Cia. Ltda. (importer), Ahumada 254 Of 601, Santiago. WTD in preparation. TM-139.

★★ Equipment for making PVC. Quimica Industrial Spes Ltda. (manufacturer), Poligono 953, Santiago. WTD in preparation. TM-143.

★★ Equipment to make plastic fiber to replace cellophane as wrapping material; needs equipment for production of 50 tons per month. Envases Modernos (manufacturer), Salomon Sack 601, Santiago. WTD in preparation. TM-142.

★★ Feed manufacturing machinery; machinery for processing pork and other meats, slaughterhouse machinery; general food packing, processing machines. Requests catalogs. Ificoop (agricultural credit institution), Agustinas 853, Of. 547, Santiago. WTD in preparation. TM 145.

★★ Wheel alignment equipment, wheel balancing and tire changing equipment, metal power saws, portable power plants. S. A. C. Herman-Gastellu (importer), Rengo 120, Concepcion. WTD in preparation. TM-167.

★★ Equipment for regrinding crankshafts for auto & truck engines. Italo Dapelo (exporter), Castellon 785, Concepcion. WTD in preparation. TM-163.

★★ Processing equipment, packaging materials. Cooperativa Agricola de Fruticultores de la Zona Central Ltda. (processor), Agustinas 853, Of. 531, Santiago. WTD in preparation. TM-162.

★★ Meat processing equipment. Alberto Kassis (Cecinas San Jorge) (meat processing), Julio Banados 2168, Santiago. WTD in preparation. TM-83.

★★ Meat processing equipment. Cecinas Wintler S.A. (manufacturer), Entreros 1631, Santiago. WTD in preparation. TM-69.

★★ Equipment to produce glass hypodermic syringes. Initially wishes to produce 2, 5, 10, and 20 c.c. sizes; estimated production 1,800,000 per yr. Juan Rock (manufacturer), Ahumada 370, Of. 612, Santiago. WTD in preparation. TM-101.

★★ Small scale freeze-drying equipment to freeze-dry food products. Carozzi S.A. (Fideos y Alimentos) (manufacturer), Gral. Velazquez 597, Quilpue. WTD in preparation. TM-110.

★★ Equipment for regenerating extruded polyethylene, PVC, polystyrene scrap. Plasticos Wenco S.A. (manufacturer), Celia Solar 45, Santiago. WTD in preparation. TM-113.

★★ Machinery for making red copper oxide pigments for naval antifouling paint. Jose Kahn y Cia. Ltda. (manufacturer), Aviador Bleriot 2523, Santiago. WTD in preparation. TM-114.

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**Late Leads**—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

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★★ Equipment to produce bi-oriented film of polypropylene; thickness 2 mils to 12 mils. Plasticos Nacionales S.A. (manufacturer), Franco Bozalla E., Baldovinos 473, Santiago. WTD in preparation. TM-86.

★★ Machinery for making reusable plastic crates for bottled drinks. Mauricio Elberg y Cia. Ltda. (manufacturer), Exposicion 276, Santiago. WTD in preparation. TM-124.

★★ Equipment to manufacture copper sulfate from metal, scrap. Productos Quimico Proqui (manufacturer), Zanartu 1179, Santiago. WTD in preparation. TM-116.

★★ Washing, packaging equipment for peaches; fruit pulping machinery. Jose de Castro y Cia. (manufacturer), Union Central 1059, Santiago. WTD in preparation. TM-118.

★★ Processing equipment, packaging materials. Agrucoop (processor), Salina 352, San Felipe. WTD in preparation. TM-160.

★★ Equipment used in processing, production of croquette type products. Juan Rock and Emilio Assef (manufacturer), Ahumada 370 Of. 612, Santiago. WTD in preparation. TM-158.

★★ Equipment for seafood production, canning. Conservera Corral S.A. (manufacturer), Casilla 182-V, Valparaiso. WTD in preparation. TM-174.

★★ Equipment for seafood production, canning. Soc. de Conservas Portugal Ltda. (exporter, manufacturer), Calle Phillippi 615, Valparaiso. WTD in preparation. TM-175.

★★ Equipment for seafood production, canning. Productos Congelados de Mar Ltda. (exporter, manufacturer), 14 Norter 1335, Vina del Mar. WTD in preparation. TM-176.

★★ Equipment for processing and production of croquette-type fish, meat products. Juan Rock and Emilio Assef (manufacturer), Ahumada 370, Of. 612, Santiago. WTD in preparation. TM-107.

★★ Latest fruit processing equipment, packaging materials. Cooperativa Agricola de Fruiticultores de la Zona Central (exporter), Agustinas 853, Of. 531, Santiago. WTD in preparation. TM-105.

★★ Fruit processing equipment, packaging materials. Cooperativa Agricola Fruiticola de Aconcagua (exporter), Salinas 352, San Felipe. WTD in preparation. TM-103.

★★ Packaging, refrigeration equipment for fish products. Financiera de Desarollo Regional Polinesia Chile. Teatinos 446, Santiago. WTD in preparation. TM-106.

**INDIA**—Equipment required to manufacture bubble air-filled polyethylene packaging material used for industrial, consumer products. Miss Shyamlata Singhania, J.K. Organization (manufacturer), National Insurance Bldg., 7 Council House St., Calcutta 1. WTD in preparation.

**JAMAICA**—Machinery to manufacture egg cartons, fillers. Milton Wong Ltd. (importer), 56 West St., Kingston. WTD 5/68.

★★ **PARAGUAY**—Meat packing machinery, as well as equipment for use in soluble coffee plants of limited capacity. Alejandro Dedoff (importer), Haedo 307, Asuncion. WTD in preparation. TM-66.

★★ Machinery for loading, packing coffee in cellophane bags of 50 to 250 gms., complete equipment for production of ice-cream at rate of 50 to 100 kgs. per hour; machinery for loading and packing refreshments in 100 to 200 cc. polyethylene containers at maximum rate of 50 per min.; 150 liter high-rotation homogenizer for mixing ice-cream; two freezing chambers with refrigerating equipment for temperature of −40° (C) 2x2x1.5 m. in size. Industria y Comercio Kibon S.A. (manufacturer), Edward Martins, 14 de Julio 671, Asuncion. WTD in preparation. TM-16.

★★ Citrus fruit processing equipment for oil extraction, pasteurization. Wants to lease equipment from U.S. firm. Corporacion Fruticola Paraguaya (exporter), Estrella 451, Asuncion. WTD in preparation. TM-36.

★★ Meat drying equipment. Requests general description of equipment, range of capacities. La Inmobiliaria S.A. (cattle breeding, slaughtering, lumber), Jose Maria Heisecke, Cnel. Bogado 302, Asuncion. WTD in preparation. TM-50.

★★ Distilling equipment to produce high proof alcohol up to 20,000 liters per day. Rogelio G. Bozzano (manufacturer), Gral. Diaz 1284, Asuncion. WTD in preparation. TM-1B.

★★ Packaging equipment to automatically form plastic or paper containers with square bottoms for food products: institutional sugar packs including attachment for 3-color printings of packaging material used; obsolete or used equipment for automatic production of window business envelopes of varied sizes. Goliat Paraguaya S.R.L. (manufacturer), El Paraguayo Independiente 679, Asuncion. WTD in preparation. TM-2A.

★★ Equipment to age, carbonate, bottle cana, (local alcoholic beverage). Capacity of 5,000 one liter bottles per day. Desires machine that will do carbonating, bottling in same operation. Bodega "Antonina" (wholesaler), Palma y Garibaldi, Asuncion. WTD in preparation. TM-21.

★★ Equipment to extrude plastic sheet, cut into strips, and weave into special material for grain and sugar bags, smaller bags and possibly clothing materials. Samples of material available. Industria Paraguaya de Zapatillas (manufacturer), Victor Ayala Queirolo, Eligio Ayala 355, Asuncion. WTD in preparation. TM-28.

★★ Machine to process meat into sausage; same or additional machine to process bone. Federico G. Abente Pfanne (rancher), Raul Canas Coronel, G. Correo 452, Asuncion. WTD in preparation. TM-44.

● **TURKEY**—Complete plant for the production of aluminum sulfate. The plant should have a capacity of 11 tons/day of liquid aluminum sulfate and 34 tons/day of crystallized aluminum sulfate. Bid deadline July 1.

General Directorate of Cellulose and Paper Factories of Turkey. Tender documents, in English, are available from the Modern Translation Co., Karanfil Sokak 49/2, Yenisch, Ankara for $24.00 including airmail postage.

## 356 General industrial machinery

★★ **CHILE**—Submersible pumps. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-181.

## 357 Office, computing, accounting machines

**COLOMBIA**—Office equipment, supplies. Luis G. Sarmiento H. (importers, distributors, agents), Carrera 13-A No. 36-10, Bogota. WTD 5/68.

**GUATEMALA**—Scales and balances, industrial platform scales, suitable for weighing cattle, bulk material containers. Direct purchase and agency. Requests replies in Spanish. Representaciones "Orion" (importing, distributor, representative), Via 7, 5-47, Zona 4, Apartado Postal 919, Guatemala City. WTD 5/68.

★★ **PARAGUAY**—Weight marking label scale for packaging, pricing meat portions. Ramon Bogarin Ayala (meat slaughtering, distribution), Republica Francesa No. 1010, Asuncion. WTD in preparation. TM-18.

★★ Office machines. De La Sobera Hnos. S.A. (importer, wholesaler), Benjamin Constant y Juan E. O'Leary, Asuncion. WTD in preparation. TM-32.

## 358 Service industry machines

★★ **PARAGUAY**—Meat freezer of 250 tons capacity. Federico G. Abente Pfanne (rancher), Raul Canas Coronel, C. Correo 452, Asuncion. WTD in preparation. TM-45.

★★ Home air conditioners. De La Sobera Hnos., S.A. (importer, wholesaler), Benjamin Constant y Juan E. O'Leary, Asuncion. WTD in preparation. TM-29.

★★ Air conditioners; commercial refrigeration equipment, design and equipment for swimming pools. Manuel Ferreira S.A. (importer, exporter), Benjamin Constant y 14 de Mayo, Asuncion. WTD 1/68. TM-7.

## 359 Machinery

**AFGHANISTAN**—Cotton ginning machinery. Qumberby and Bros. (manufacturer, exporter), Apt. 118, Zurghuna Maidan, Kabul. WTD 5/68.

## 361 Electric transmission, distribution equipment

● **ARGENTINA**—Supply of two 20 MVA transformers and twelve 40 MVA transformers. All units to be 3-phase and 50 cycles. Tender No. 2838, bid deadline June 24.

SEGBA, Servicios Electricos del Gran Buenos Aires, S.A., Balcarce 184, Buenos Aires. All correspondence with SEGBA is preferred in Spanish.

A set of specifications (in Spanish) is available for review only, not for loan, from the Power & Electrical Equipment Div., Rm. 4124, BDSA-662, Department of Commerce, Washington, D.C. 20230. Telephone: 202-967-4241.

★★ **PARAGUAY**—Distribution transformers. Manuel Ferreira S.A. (importer, exporter), Benjamin Constant y 14 de Mayo, Asuncion. WTD 1/68. TM-9.

## 362 Electrical industrial apparatus

**AFGHANISTAN**—Battery-operated transistor power generators from 100 watts to 2000 watts capacity. Qumberby & Bros. (exporter, importer, wholesaler), Apt. No. 118, Zurghuna Maidan, Kabul. WTD 5/68.

**SWEDEN**—General industry power circuit devices, controls. Direct purchase and agency. Halsingborg Elektrotex AB (manufacturer, agent), Box 5007, S-250 05 Halsingborg 5. WTD 5/68.

## 363 Household appliances

★★ **CHILE**—Small household fractional horsepower appliances. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-180.

★★ **PARAGUAY**—Household air conditioners, refrigerators. Panimex S.R.L. (importer), Cerro Cora 420, Asuncion. WTD in preparation. TM-26.

★★ Washing machines, fans, refrigerators. De La Sobera Hnos., S.A. (importer, wholesaler), Benjamin Constant y Juan E. O'Leary, Asuncion. WTD in preparation. TM-31.

## 364 Electric lighting, wiring equipment

★★ **CHILE**—Mercury vapor bulbs using 220

volt. Importadora y Comercial Del Sur S.A. (importer, wholesaler), Casilla 55-C, Concepcion. WTD in preparation. TM-170.

### 365 Radio, television receiving sets

★★ **PARAGUAY**—Household radios. Panimex S.R.L. (importer), Cerro Cora 420, Asuncion. WTD in preparation. TM-25.

### 366 Communication equipment

★★ **CHILE**—Depth finders for fishing operations. Industrial de Maquinaria y Tecnica (importer), Manuel Montt 2162, Santiago. WTD in preparation. TM-98.

**THAILAND**—TV tower antennas for color TV transmission, band-3, 250 m. high, one degree under maximum windload, windload 180 kgs./sq. m. on flat surfaces and 100 kgs./sq. m. on cylindrical surfaces, wind speed 160 kms./hr., base width not greater than 50 sq. m., coatings to conform to ICAO regulations. Requests c.i.f. Bangkok quotations, catalogs. Hi-Fi Sound Devices (importer, distributor, commission agent), 50 Siphya Rd., Bangkok. WTD in preparation.

### 367 Electronic components, accessories

**SWEDEN**—All kinds of electronic components, related products. Direct purchase and agent. Rectronic Inc., AB (agent, distributor, importer), 17 Margretelundsvagen, S-161 34 Bromma-Stockholm. WTD 5/68.

**SWITZERLAND**—Semiconductors, integrated circuits, numerical control devices with applications in particular in textile industry, other electronic components, equipment. Agency and direct purchase. Cherix, Hutterli & Cie, CHC (importer, manufacturer, distributor), Wasenstrasse 4, CH-2502 Biel. WTD in preparation.

### 369 Electrical machinery, equipment, supplies

**AFGHANISTAN**—X-ray machines, radiographic and fluoroscopic x-ray apparatus for medical application. Amin Joint Stock Co. (importer, wholesaler), Pashtoon Market, Kabul. WTD 5/68.

★★ **CHILE**—Automotive test equipment. M. Gleisner S.A.C.I. (importer), Casilla 450, Concepcion. WTD in preparation. TM-165.

★★ **PARAGUAY**—Battery chargers, test equipment for automotive repair jobs. Desiderio Segovia, Jr. (mechanical repair), 25 de Agosto y Cerro Cora, Asuncion. WTD in preparation. TM-23.

### 371—Motor vehicles, motor vehicle equipment

**AFGHANISTAN**—All kinds of auto parts, accessories. Qumberby and Bros. (exporter, importer. wholesaler), Apt. No. 118, Zurghuna Maidan, Kabul. WTD 5/68.

Truck parts, accessories. Amin Joint Stock Co. (importer, wholesaler), Pashtoon Market, Kabul. WTD 5/68.

★★ **CHILE**—Ignition components, suspension system spares and engine parts for all makes of U.S. automobiles, trucks. Alfonso Perrin Gascard (importer), Lincoyan 533, Concepcion. WTD in preparation. TM-168.

**GERMANY**—Motor vehicle accessories of all kinds. Requests quotations c.i.f. Hamburg or Rotterdam. Requests replies in German. E. Petermann (wholesaler, distributor, importer, exporter), 135 Maarweg, Postfach 1940, 5 Koeln-Braunsfeld. WTD 5/68.

★★ **PARAGUAY**—Used bulk sugar tank truck in guaranteed condition. Centro Azucarero Paraguayo (sugar manufacturer), Indep. Nacional 541, Asuncion. WTD in preparation. TM-67.

★★ General automotive parts, accessories. Automotive S.A. (importer), Agustin Bellon, Efigio Ayala 439, Asuncion. WTD 1/68. TM-12.

**SWITZERLAND**—Automotive parts, accessories. Direct purchase and agency. Acar AG (distributor, importer, agent), Hardstr. 1, POB, 8040 Zurich. WTD 5/68.

### 372 Aircraft equipment

● **YUGOSLAVIA**—Feroelektro, Export-Import, Sarajevo Marsaia Tita 48, Belgrade, Yugoslavia desires to import airport machines, vehicles and air traffic equipment such as, aircraft starters, airplane stairs, fire extinguishers, cleaning and greasing equipment. Bid deadline is Aug. 6. Correspondence preferred in English.

Further information may be obtained from the Transportation Equipment Div., Department of Commerce, Washington, D.C. 20230.


**Choice of language**

Some people—about seven-eighths of them—just do not understand English.

So when you answer an advertiser in these pages who requests replies in his own language oblige him *and* yourself.

Ask the Department of Commerce Field Office for advice.


### 373 Ship building, repairing

★★ **CHILE**—Three liberty ships. Alberto Scheihing Monje (ship operator), Limache 2085 Casa "C", Vina del Mar. WTD in preparation. TM-178.

★★ Used launches for about 80 persons for coastal travel; also interested in purchase of larger vessel with overnight accommodations for 400 to 500 persons. Interoceanica—Cia. Chilena de Navegacion (tourist services), Ahumada 11, Of. 1102, Santiago. WTD in preparation. TM-120.

★★ **PARAGUAY**—Small vessel in good condition with bulk sugar system. Centro Azucarero Paraguayo (sugar manufacturer), Indep. Nacional 541, Asuncion. WTD in preparation. TM-68.

### 374 Railway equipment

● **MOROCCO**—Furnishing of 3 or 5 electric 3,000 D. C. volt locomotives, standard gauge, continuous current. Tender No. T 33-28, bid deadline July 30, 1968. Correspondence preferred in French.

Office National des Chemins de Fer (ONCF), Service Materiel et Traction, 19 Av. Allal Ben Abdallah, Rabat, Morocco.

General specifications and Technical Specification in French may be reviewed only in Rm. 4314, Transportation Equipment Div. BDSA-596, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4816).

### 382 Instruments for measuring, controlling, indicating physical characteristics

**SWEDEN**—Industrial process instruments such as automatic temperature controls, heat regulators. Direct purchase and agency. Halsingborg Elektrotex AB (manufacturer, agent), Box 5007, S-250 05 Halsingborg 5. WTD 5/68.

### 383 Optical instruments, lenses

**SWITZERLAND**—Optical instruments, intrascopes, skionopters. Direct purchase and agency. I. Weinberger (importer, exporter, agent), 110 Foerrlibuckstrasse, 8005 Zurich. WTD 4/68.

### 386 Photographic equipment

**SWITZERLAND**—Hi-speed cameras, equipment; cameras, accessories. Direct purchase and agency. I. Weinberger (importer, exporter, agent), 110 Foerrlibuckstrasse, 8005 Zurich. WTD 4/68.

### 387 Watches, clocks, parts

**SWEDEN**—Timers for industrial use. Direct purchase and agency. Halsingborg Elektrotex AB (manufacturer, agent), Box 5007, S-250 05 Halsingborg 5. WTD 5/68.

### 391 Jewelry, silverware, plated ware

**MALAYSIA**—Trophies, silver-plated. Direct purchase and agency. C. Lal Sur (commission merchant, importer, retailer), 1-3 King St., P.O. Box 109, Penang. WTD 5/68.

### 393 Musical instruments, parts

★★ **CHILE**—Electric organs. Augusto Montero (importer), Bandera 341, Of 105, Santiago. WTD in preparation. TM-148.

**GERMANY**—Musical instruments of all kinds. Requests price quotations c.i.f. Hamburg or Bremen or f.o.b. American ports. Direct purchase and agency. Wilhelm Monke, Musikhaus (importer, manufacturer, wholesaler, retailer, exporter), 5 Koeln-Ehrenfeld Gutenbergstrasse 59/61. WTD 5/68.

### 394 Toys, amusement, sporting goods

**GERMANY**—Skis, ski bindings, ski poles. Requests quotations c.i.f. Hamburg or Rotterdam. Requests replies in German. E. Petermann (importer, exporter, wholesaler, distributor), 135 Maarweg, Postfach 1940, 5 Koeln-Braunsfeld. WTD 5/68.

**MALAYSIA**—Tennis frames, rackets, guts, baseballs, baseball bats. Direct purchase and agency. C. Lal Sur (commission merchant, importer, retailer), 1-3 King St., P.O. Box 109, Penang.

### 396 Costume jewelry, novelties, buttons, notions

**MALAYSIA**—Slide fasteners, zippers, metal buckles, loop tapes for wearing apparel. Direct purchase and agency. Sin Lee Trading Co. (importer, wholesaler), 58 Penang St., Penang. WTD 5/68.

### 509 Wholesalers

**MALAYSIA**—Over-issued and old newspapers, magazines for wrapping. Tai Teik & Co. (com-

mission merchant, indent agent), 408 Beach St., P.O. Box 185, Penang. WTD 5/68.

### 739 Business services

★★ **PARAGUAY**—Consulting services on annual basis to update canning industry techniques. Corporacion Fruticola Paraguaya (exporter), Estrella 451, Asuncion. WTD in preparation. TM-35.

## IDB to help finance dam, canal project in Colombia

The Government of Colombia seeks bids for the construction of the Matuya Dam and Canal, in the Irrigation District of Mahates, Maria La Baja, Bolivar Project No. 1, State of Bolivar. The project will be partially financed with funds provided by the Inter-American Development Bank.

Bid deadline is Aug. 19. Bidders must be properly registered with the Instituto Colombia de la Reforma Agraria (Colombian Institute of Agrarian Reform).

The following are the characteristics of the project—Matuya Dam-Earth (soil) dam of combined profile. Maximum height: 34 meters. Length of crest: 290 meters. Complementary structures: tower and intake channel, and excess spillway. Matuya Canal—length: 3 km. Discharge: 15M³ per second.

The estimated quantities of work, materials, and costs are: Embankments—570,000 cu. m.; Excavation—400,000 cu. m.; Concrete—6,400 cu. m.; Reinforcement steel—452 metric tons.

Approximate budget—32,000,000 (Colombian pesos—$2,000,000). The first copy of specifications may be purchased from: Institute Colombiano de la Reforma Agraria, Centro, Administrativo Nacional, Via Eldorado, Bogota, Colombia, for 3,000 Colombian pesos (approx. $185). Additional copies cost 300 Colombian pesos (approx. $19).

## Greece to purchase communication equipment

The Ministry of Communications, Civil Aviation Administration, has issued Tender No. 17-7, for the supply of one UHF Receiver-Transmitter AN/ARC-34. Bid deadline is July 6.

Bid should offer one AN/ARC-34 with two years spare parts, and operation and maintenance manuals.

Copies of tender announced and specifications are available from the Ministry of Communications, Civil Aviation Administration, Hellinikon, Athens or on a short-term basis to firms located in the U.S. from the Electronics Division, BDSA-658, Rm. 4125, U.S. Department of Commerce, Washington, D.C. 20230. Telephone 202-967-4038.

**Late Leads**—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

# Sales Representation

***The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.***

### 201 Meat products

**HONG KONG**—Frozen prime beef and meat. Frederick Pordes & Co., Ltd., (importer, agent, wholesaler, manufacturer, exporter), P.O. Box 596. Cable: Wipor. WTD in preparation.

### 204 Grain mill products

★★ **CHILE**—Wheat, corn. Oscar Berger G. (importer), Ahumada 254-Of. 1104, Santiago. WTD in preparation. TM-84.

### 283 Drugs

★★ **CHILE**—Drugs, chemicals. Rojas, Landa y Cia. Ltda. (importer), Sazie 2246, Santiago. WTD in preparation. TM-89.

### 284 Soap, detergents, cleaning preparations, perfumes, cosmetics

**HONG KONG**—Nail polish, removers, lipsticks; hair-cream, other hair preparations. Exclusive agency. Grand Co. (importer, wholesaler), 714 Shaw's Bldg., Nathan Rd., Kowloon. WTD in preparation.

### 285 Paints, varnishes, lacquers, enamels

★★ **CHILE**—Low-temperature, high-temperature coatings, cathodic protection systems. Sergio Della Maggiora B., Importadora y Tecnica del Pacifico S.A. (importer), Moneda 812 10° piso, Santiago. WTD in preparation. TM-91.

### 291 Petroleum refineries

**GERMANY**—Special lubricants for use in cold rolling mills. Requests quotations c.i.f. Hamburg or Rotterdam. E. Jansen & Co. KG (wholesaler, distributor, importer), 178 Bonner Strasse, 5 Koeln-Bayenthal. WTD 5/68.

### 306 Fabricated rubber products

★★ **CHILE**—Industrial rubber products. Eugenio Lagos y Cia. Ltda. (importer, distributor), San Martin 180, Santiago. WTD in preparation. TM-80.

### 342 Cutlery, hand tools, general hardware

★★ **CHILE**—Watchmakers tools. Pablo Lubascher e Hijos y Cia. (importer), Bandera 183, Of. 14, Santiago. WTD in preparation. TM-136.

### 343 Heating apparatus, plumbing fixtures

★★ **CHILE**—Oil, gas heating furnaces. Eugenio Lagos (importer, distributor), San Martin 180, Santiago. WTD in preparation. TM-79.

**ENGLAND**—Gas burners. Seaflame Conversion Ltd. (converters), Deer Park Rd., London, S.W.19. WTD 5/68.

### 345 Screw machine products

**BOLIVIA**—Linerbolts, nuts for ore mills; heavy forged bolts with rectangular and/or conical head approx. 1¼" x 6", 1¼" x 8" with appropriate nuts, washers. Andean Industrial Supplies Ltda. (importer), Avenida Camacho 1324, Casilla, P.O. Box 4820, La Paz. WTD in preparation.

### 351 Engines, turbines

★★ **CHILE**—Internal combustion engines of two to 30 hp capacity gasoline and 30 hp diesel. Exclusive representation, stocking-distributor basis. A. Garmendia, S.A. (sales agent), Almirante Barroso 770. Santiago. WTD 1/68. TM-128.

### 353 Construction, mining, materials handling machinery, equipment

**BOLIVIA**—Monitors and equipment; known as "giants", used in hydraulic separation of minerals. Andean Industrial Supplies Ltda. (importer), Avenida Camacho 1324, Casilla, P.O. Box 4820, La Paz. WTD in preparation.

★★ **CHILE**—Heavy construction equipment not manufactured in Chile. A. Garmendia, S.A. (importer, sales agent), Almirante Barroso 770, Santiago. WTD 1/68. TM-88.

★★ Small cranes for use of fishing industry (3 to 4 ton capacity). Indemat (importer, wholesaler, retailer), Manuel Montt 2162, Santiago. WTD in preparation. TM-125.

★★ Material handling equipment such as hoists, fork lifts. Fundicion y Maestarnza Universal (manufacturer), Rengo 1002-1014, Concepcion. WTD in preparation. TM-164.

### 354 Metalworking machinery

★★ **CHILE**—Welding equipment, hydraulic equipment, presses and bending equipment. Eugenio Lagos y Cia. Ltda. (importer, distributor, San Martin 180, Santiago. WTD in preparation. TM-78.

★★ Machine tool lines, including lathes, drilling machines, presses. S. T. Errazuriz & Cia. S.A.C. (importer), Morande 330, Santiago. WTD in preparation.

**GERMANY**—Screw & bolt making machines. Requests price quotations c.i.f. Hamburg. Requests replies in German. Anheyer & Gruber (agent)), 32a Talstrasse, 4 Duesseldorf. WTD 5/68.

### 355 Special industry machinery

★★ **CHILE**—Ultrasonic cleaning equipment for watchmakers. Pablo Lubascher e Hijos y Cia. (importer), Bandera 183, Of. 14, Santiago. WTD in preparation. TM-93.

★★ Meat processing equipment. Subproductos Animales (manufacturer), Errazuriz 267, Concepcion. WTD in preparation. TM-156.

★★ Freeze-dry equipment, food machinery. Exclusive representation. Jorge Munita Lira (importer), Moneda 1137, Santiago. WTD in preparation. TM-147.

★★ Machinery for molding and cutting plastic: polystyrene, polyester and polyurethane. Exclusive representation. Indemat (importer,

wholesaler, retailer), Manuel Montt 2162, Santiago. WTD in preparation. TM-126.

★★ Power saws. Eugenio Lagos y Cia. Ltda. (importer, distributor), San Martin 180, Santiago. WTD in preparation. TM-77.

★★ Meat processing equipment; fruit and vegetable canning equipment; freeze-drying equipment. Cosmos S.A. (importer), Alameda 2360, Santiago. WTD in preparation. TM-71.

★★ Food machinery. Exclusive agent. Eugenio Lagos Y Cia. Ltda. (importer), San Martin 180, Santiago. WTD 6/67. TM-70.

### 356 General industrial machinery

**BOLIVIA**—Gasoline or diesel engine driven pumps; diesel engine driven air compressors for mines (100 lbs/sgm). Andean Industrial Supplies Ltda. (importer), Avenida Camacho 1324, Casilla (P.O. Box) 4820, La Paz. WTD in preparation.

★★ **CHILE**—Portable air compressors from 150 to 800 CFM especially in 600 CFM size; industrial spray equipment for broad line of protective coatings. Sergio Della Maggiora B., Importadora y Tecnica del Pacifico S.A. (importer), Moneda 812 10°piso, Santiago. WTD in preparation. TM-92.

★★ Turbine, deep-well pumps. Eugenio Lagos y Cia. Ltda. (importer, distributor), San Martin 180, Santiago. WTD in preparation. TM-76.

**GERMANY**—Counting machines for small items used in iron, steel processing industries, including bolt & screw counting machines. Requests price quotations c.i.f. Hamburg. Requests replies in German. Anheyer & Gruber (agent), 32a Talstrasse, 4 Duesseldorf. WTD 5/68.

### 357 Office, computing, accounting machines

★★ **CHILE**—Teaching machines, teaching aids. Raul Croquevielle (importer), Victoria Subercaseaux 181, Apt. 55-57, Santiago. WTD in preparation. TM-75.

★★ Business machines. Raul Baliaufun Tello (retailer), Tucapel 466, Concepcion. WTD in preparation. TM-169.

### 361 Electric transmission, distribution equipment

**BOLIVIA**—Distribution transformers. Andean Industrial Supplies Ltda. (importer), Avenida Camacho 1324, Casilla (P.O. Box) 4820, La Paz. WTD in preparation.

**NETHERLANDS**—Electronic measuring equipment, components. Exclusive representation for Benelux countries. Heijnen N.V. (importer, exporter, wholesaler), Steendalerstraat 56 or P.O. Box 10, Gennep, Limburg. WTD 5/68.

### 362 Electrical industrial apparatus

★★ **CHILE**—Electric motors, 50 hp, over. A. Garmendia, S.A. (importer, sales agent), Almirante Barroso 770, Santiago. WTD 1/68. TM-129.

★★ Electric motors from one hp to 50 hp. S. T. Errazuriz & Cia, S.A.C. (importer), Morande 330, Santiago. WTD in preparation. TM-90.

### 364 Electric lighting, wiring equipment

★★ **CHILE**—Fluorescent lamps, fluorescent coated sign tubing, electrodes, rare gases, coating chemicals, copper clad wire, flashers. Avisos Luminosos Parrague (manufacturer), Nuble 135, Santiago. WTD in preparation. TM-130.

★★ Gas lamps and industrial absorption refrigeration. Compania De Gas De Concepcion (distributor), Concepcion. WTD in preparation. TM-154.

### 367 Electronic components, accessories

**ENGLAND**—Semi-conductor products, thin film circuits, high, medium, and low power. Ultra Electronics (Components) Ltd. (manufacturer, distributor), 35-37 Park Royal Rd., London, N.W. 10. WTD 4/68.

### 371 Motor vehicles, motor vehicle equipment

★★ **CHILE**—Fire engines, aerial ladders, snorkel units. Charles L. Turner (commission agent), Antonio Varas 196, Santiago. WTD in preparation. TM-72.

### 374 Railroad equipment

★★ **CHILE**—Railway equipment such as rolling stock, containers, machine tools relating to railway industry. Ricardo Bullemore (representative), Alameda 1146, Of. 409, Santiago. WTD in preparation. TM-81.

### 381 Engineering, laboratory, scientific, research instruments

★★ **CHILE**—Medical, laboratory equipment. Rojas, Landa Y Cia. Ltda. (importer), Sazie 2246, Santiago. WTD in preparation. TM-131.

### 384 Surgical, medical, dental instruments

★★ **CHILE**—Medical instrumentation and testing equipment; portable respirators; medical clinical research equipment. Raul Croquevielle (importer), Victoria Subercaseaux 181, Apt. 55-57, Santiago. WTD in preparation. TM-74.

### 399 Manufacturing industries

★★ **CHILE**—Fire fighting, general safety equipment, especially any equipment required by petrochemical industry. Dimport Ltda. (importer), Moneda 611, Santiago. WTD in preparation. TM-127.

**HONG KONG**—Plastic combs, brushes. Exclusive agency. Grand Co. (importer, wholesaler), 714 Shaw's Bldg., Nathan Rd., Kowloon. WTD in preparation.

### 501 Wholesalers

★★ **CHILE**—Engine and chassis parts, U.S., European cars. Herbert H. Herz (importer), Agustinas 972, Santiago. WTD in preparation. TM-140.

★★ Radiator and gas caps, interior and exterior mirrors, hubcaps, sealed beams, bearings, windshield wipers. Schwinning Y Cia. Ltda. (representative), Huerfanos 1189, Santiago. WTD 2/68. TM-132.

## Leads for Importers

*Commodities are offered direct unless specified*

### 011 Field crop farms

**MALAYSIA**—Cloves. Direct sales or through agency. Suje Import Export Corp. (exporter, agent), 2nd floor, Malayan Railway Bldg., Weld Quay, P.O. Box 774, Penang. WTD 4/68.

Whole cloves, dried; split black peas, washed and dried; green peas, dried. Direct sales or through agents. N. Kantilal & Co. (importer, exporter, indent agent), 33-A Weld Quay, P.O. Box 872, Penang. WTD 5/68.

### 012 Fruit, tree nut, vegetable farms

**AFGHANISTAN**—Pistachio nuts, shelled, packaged according to customers' desire. Sher Mohammed Shujazadeh (importer, wholesaler), Rm. No. 43, Pashtoon Market, Kabul. WTD 5/68.

Open mouth pistachio nuts, almonds in standard packages. Qumberby and Bros. (exporter, importer, wholesaler), Apt. No. 118, Zurghuna Maidan, Kabul. WTD 5-68.

## U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

**ALBUQUERQUE, N. MEX., 87101,** U.S. Courthouse. Area Code 505 Tel. 247-0311.

**ANCHORAGE, ALASKA, 99501,** 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6331.

**ATLANTA, GA., 30303,** 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

**BALTIMORE, MD., 21202,** 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

**BIRMINGHAM, ALA., 35205,** Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

**BOSTON, MASS., 02203,** Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

**BUFFALO, N.Y., 14203,** 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

**CHARLESTON, S.C., 29403,** Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

**CHARLESTON, W. VA., 25301,** 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6196.

**CHEYENNE, WYO., 82001,** 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

**CHICAGO, ILL., 60604,** 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

**CINCINNATI, OHIO, 45202,** 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

**CLEVELAND, OHIO, 44114,** Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

**DALLAS, TEX., 75202,** Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

**DENVER, COLO., 80202,** 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

**DES MOINES, IOWA, 50309,** 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

**DETROIT, MICH., 48226,** 445 Federal Bldg. Area Code 313 Tel. 226-6088.

**GREENSBORO, N.C., 27402,** 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

**HARTFORD, CONN., 06103,** 18 Asylum St. Area Code 203 Tel. 244-3530.

**HONOLULU, HAWAII, 96813,** 286 Alexander Young Bldg., 1015 Bishop St. Tel. 588-977.

**HOUSTON, TEX., 77002,** 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 228-0611.

**JACKSONVILLE, FLA., 32202,** P.O. Box 35067, 400 W. Bay St. Area Code 904 Tel. 791-2796.

**KANSAS CITY, MO., 64106,** Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

**LOS ANGELES, CALIF., 90015,** Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2822.

**MEMPHIS, TENN., 38103,** 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

**MIAMI, FLA., 33130,** Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

**MILWAUKEE, WIS., 53203,** Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

**MINNEAPOLIS, MINN., 55401,** 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

**NEW ORLEANS, LA., 70130,** 909 Federal Office Bldg., U., 610 South St. Area Code 504 Tel. 527-6546.

**NEW YORK, N.Y., 10001,** 61st Floor, Empire State Bldg., 350 Fifth Ave. Area Code 212 Tel. 563-3377.

**PHILADELPHIA, PA., 19107,** Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

**PHOENIX, ARIZ., 85025,** 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

**PITTSBURGH, PA., 15222,** 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

**PORTLAND, OREG., 97204,** 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

**RENO, NEV., 89502,** 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

**RICHMOND, VA., 23240,** 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

**ST. LOUIS, MO., 63103,** 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

**SALT LAKE CITY, UTAH, 84111,** 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

**SAN FRANCISCO, CALIF., 94102,** Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

**SAN JUAN, P.R., 00902,** Room 100, Post Office Bldg. Phone 723-4640.

**SAVANNAH, GA., 31402,** 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 233-4371.

**SEATTLE, WASH., 98104,** 809 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-2615.

Almonds, pistachio nuts packaged according to customers' specifications. Haji Mohammad Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

★★ **CHILE**—Fresh fruit products. Jose De Castro y Cia. (manufacturer), Union Central 1059, Santiago. WTD in preparation. TM-119.

## 200 Food

★★ **CHILE**—All types of Chilean agricultural products, processed foods, seafoods. Exclusive representation. Block y Cia. (exporter, wholesaler), General Mackenna 1531, Santiago. WTD in preparation. TM-117.

★★ High-protein fish sausage products flavored like meat. Dow Chemica Chilena S.A. (manufacturer), Ahumada 11, Of. 501, Santiago. WTD in preparation. TM-108.

## 201 Meat products

**AFGHANISTAN**—Animal casings. Haji Mohammad Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

★★ **CHILE**—Tripe, casings for meat industry. Subproductos Animales (manufacturer), Errazuriz 267, Concepcion. WTD in preparation. TM-155.

★★ **PARAGUAY**—Brand-name food products. Antolin Marin S.A. (sales representative), Pte. Franco y Avenida Pinedo, Concepcion. WTD in preparation. TM-63.

## 203 Canning, preserving food

**AFGHANISTAN**—Raisins, black, red, green, packaged according to buyer's instructions. Qumberby & Bros. (exporter, importer, wholesaler), Apt. No. 118, Zurghuna Maidan, Kabul. WTD 5/68.

Afghan raisins, white apricots, packaged according to customers' specifications. Haji Mohammed Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

★★ **CHILE**—Canned fruits, nectars. Conservas Aconcagua S.A. (manufacturer), Casilla 122-V, Valparaiso. WTD in preparation. TM-173.

★★ Fishmeal, frozen sea hake. Ernesto A. Hepp (importer, exporter), Agustinas 1357, Santiago. WTD in preparation. TM-122.

**MALAYSIA**—Frozen shrimps, approx. 30 tons per month. Direct sale or through agent. Pacific Sea Products Co. (manufacturer, wholesaler, exporter), 48-A Jalan Pekeliling, Kuala Lumpur. WTD 5/68.

★★ **PARAGUAY**—Canned hearts of palms (palmitos). Caravelle S.A. (exporter), Puerto Presidente Stroessner, Asuncion. WTD in preparation. TM-43.

★★ Hearts of palm. Imexpaco S.R.L. (exporter, importer), Montevideo y Pte. Franco, Asuncion. WTD in preparation. TM-51.

★★ Hearts of palms. Palmital Paraguayo S.R.L. (exporter), Estrella 487, Asuncion. WTD in preparation. TM-52.

★★ Quality line of canned hearts of palm. Seeks suitable representative for national sales, distribution including private label. Itavera Soc. Resp. Ltda. (manufacturer), Palma 695, Asuncion. WTD in preparation. TM-65.

★★ Grapefruit, canned. Corporacion Fruticola Paraguaya (exporter), Estrella 451, Asuncion. WTD in preparation. TM-33.

## 204 Grain mill products

★★ **CHILE**—Fishmeal products. Empresa Pesquera Eperva S.A. (manufacturer), Ahumada 254, Of. 1104-1105, Santiago. WTD in preparation.

★★ Artificial rice developed from wheat. Dow Chemica Chilena S.A. (manufacturer), Ahumada 11, Of. 501, Santiago. WTD in preparation. TM-108a.

**MALAYSIA**—Tapioca seeds, flour. Direct sale or through agency. Suje Import Export Corp. (exporter, agent), 2nd floor, Malayan Railway Bldg., Weld Quay, P.O. Box 774, Penang. WTD 4/68.

## 207 Confectionery

★★ **CHILE**—Full line of hard candies, chocolates, toffees, candied fruits. Gaston Donoso (manufacturer), Av. Espana 430, Santiago. WTD in preparation. TM-96.

## 208 Beverage industries

★★ **CHILE**—Wines. Wishes to appoint agent. Vina Concha y Toro (manufacturer), Fernando Lazcano 1220, Santiago. WTD in preparation. TM-153.

★★ Wine shipped f.o.b. Valparaiso in wooden cases of 12 bottles of 700 c.c. per case. Juan B. Schiappacasse y Cia. (wine manufacturer), Errazuriz 1890, Valparaiso. WTD in preparation. TM-172.

★★ **PARAGUAY**—Passion fruit concentrate to be used as ingredient for U.S. produced tropical punch. Corporacion Fruticola Paraguaya (exporter), Estrella 451, Asuncion. WTD in preparation. TM-34.

★★ Aged rum and industrial alcohol in bottles or containers. All data, including analysis, firm prices c.i.f. Buenos Aires, available. Administracion Paraguaya de Alcoholes (manufacturer), Palma y Hernandarias, Asuncion. WTD 10/67. TM-4.

## 209 Food preparations

**MALAYSIA**—Various types of local, Indonesian spices. Direct sales or through agents. N. Kantilal & Co. (importer, exporter, indent agent), 33-A Weld Quay, P.O. Box 872, Penang. WTD 5/68.

## 227 Floor covering mills

**AFGHANISTAN**—Old and new Afghan carpets in various sizes, colors, designs. Haji Mohammad Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

## 237 Fur goods

**AFGHANISTAN**—Karakul skins of various sizes, colors. Haji Mohammad Ibrahim Ghazniwal Bros. (importer, exporter), Serai Hazargul, Kabul. WTD 5/68.

## 242 Saw mills, planing mills

★★ **CHILE**—Eucalyptus parquet floors. Will furnish samples, prices. Sociedad Industrial de Parquets (manufacturer), Santa Elena 1960, Santiago. WTD in preparation. TM-135.

**MALAYSIA**—Malaysian lumber—meranti (red, light red and dark red), jelutong, keruing, mersawah, ramin. Direct sales or through agency. Sharikat Bin-Ghazi Enterprise (exporter, wholesaler, agent), The Penthouse, Bangkok Bank Bldg., Jalan Bandar. Kuala Lumpur. WTD 5/68.

Malayan timber; log, sawn lumber. Goodwill Trading Corp. (indent agent, commission merchant), 36 Penang St., Penang. WTD 4/68.

★★ **PARAGUAY**—Several varieties of hard parquet wood. Prices, samples on request. Parquetera Sajonia (manufacturer), Juan Belfort Gamell, Cap. Aranda 1975, Asuncion. WTD in preparation. TM-17.

## 243 Millwork, veneer, plywood, prefabricated structural wood products

★★ **PARAGUAY**—Specialized Paraguayan veneers through sales agent or distributor. Salay Y Cia. Industrial Y Comercial S.A. (manufacturer), Carlos A. Vasconsellos, Pai Perez y 25 de Mayo, Asuncion. WTD in preparation. TM-42.

## 249 Wood products

★★ **PARAGUAY**—Lasts (forms), wood, for shoe making. Atlas S.A. (manufacturer), Palma 694, Asuncion. WTD in preparation. TMD-3.

**UGANDA**—Wood carvings. Fidai Industrial Corp. (Africa) Ltd. (exporter), P.O. Box 4606, Kampala. WTD 5/68.

## 250 Furniture, fixtures

★★ **CHILE**—Early American, other furniture. Undurraga Chilean Imports Corp. (manufacturer), Puma 1180, Santiago. WTD in preparation. TM-141.

### Future construction summary available

A quarterly summary of future construction projects abroad, contract award stories and significant foreign government tenders published in International Commerce and Commerce Business Daily during January, February and March is available to U.S. firms from the Department of Commerce, BDSA-624, Trade Opportunities Staff, Washington, D.C. 20230. A pre-addressed mailing label should be included with the request to facilitate processing and mailing.

The summary, which may also be reviewed at any of the 42 Department of Commerce Field Offices, alphabetically lists project summaries by country in five distinct classes: airport, seaport, railroad and highway projects; hydro and thermal electric plant and irrigation projects; hospital, hotel and housing projects; industrial plant projects; and comprehensive development projects. Whenever possible, names of contractors and responsible agencies are cited, as well as original publication dates.

A limited number of copies of the 4th quarter 1967 summary are also available upon request and will be distributed on a first-come basis.

### 251 Household furniture

★★ **CHILE**—Furniture. Asociacion de Industriales de la Madera (manufacturer), Agustinas 814, Santiago. WTD in preparation. TM-134.

★★ Household furniture. Wishes to obtain agents or distributors. Juan Easton Manzi (manufacturer), Vicuna Mackenna 1405, Santiago. WTD in preparation. TM-144.

### 281 Industrial chemicals

**ENGLAND**—Fumaric acid, malic acid, sodium heptonate, calcium lactate, lactic acid, sodium lactate. Seeks distributors in Southern states. Bowmans Chemicals Ltd. (manufacturer), P.O. Box 10, Moss Bank, Widnes, Lancashire. WTD 5/68.

### 283 Drugs

★★ **CHILE**—Agar-agar. Midesa S.A.C. (exporter), Agustinas 925, Santiago. WTD in preparation. TM-100.

### 285 Paints, varnishes, lacquers, enamels

★★ **CHILE**—Antifouling paints, U.S. Navy specs. Jose Kahn Y Cia. Ltda. (manufacturer), Aviador Bleriot 2523, Santiago. WTD in preparation. TM-115.

### 289 Chemical products

★★ **CHILE**—Sodium alginate. Sociedad Nacional de Pesca (manufacturer), Pirineo 210, Santiago. WTD in preparation. TM-149.

**MALAYSIA**—Patchouli oil. Goodwill Trading Corp. (indent agent, commission merchant), 36 Penang St., Penang. WTD 4/68.

Patchouli oil. Direct sale or through agency. Suje Import Export Corp. (agent, exporter), 2nd floor, Malayan Railway Bldg., Weld Quay, P.O. Box 774, Penang. WTD 4/68.

### 307 Plastic products

**MALAYSIA**—Polyethylene packing materials. Direct sales or through agency. Century Plastics Ltd. (manufacturer, wholesaler, retailer, exporter), No. 13 Road 215, P.O. Box 28, Petaling Jaya, Selangor. WTD 5/68.

### 317 Handbags, personal leather goods

★★ **PARAGUAY**—Leather goods. Talabarteria Jimenez (manufacturer), O'Leary 288, Asuncion. WTD in preparation. TM-53.

### 319 Leather goods

**UGANDA**—Game skin articles. Fidai Industrial Corp. (Africa) Ltd. (exporter), P.O. Box 4606, Kampala. WTD 5/68.

### 325 Structural clay products

★★ **CHILE**—Ceramic items. Photos, prices available. Osvaldo Pizarro (manufacturer), Mac Iver 177, Santiago. WTD in preparation. TM-146.

### 329 Abrasive, asbestos, nonmetallic products

**BRAZIL**—Alumina-silica refractory material. Ceramica Togni S.A. (manufacturer, importer), Rua Antonio Togni 2437, Caixa Postal 598, Pocos de Caldas, Estado de Minas Gerais. WTD 4/68.

**MEXICO**—Barium sulfate (baryte) for sale to petroleum companies for use in drilling. Mr. Guadalupe Villarreal Hernandez (producer), General Trevino Ote. 1234, Monterrey, N.L. WTD 5/68.

### 352 Farm machinery

**SWEDEN**—Water sprinkler for artificial irrigation. Illustrated brochure on loan from Trade Opportunities Staff, BDSA-618, U.S. Dept. of Commerce, Rm. 4059, Washington, D.C. 20230. Scan Pasa AB, Fack, S-161 15, Bromma 15. WTD 12/67.

### 355 Special industry machinery

★★ **CHILE**—Machinery for freezing, packaging of fish products on Easter Island; related packaging equipment, refrigeration storage units. Financiera De Desarrollo Regional Polinesia Chile S.A. (exporter), Teatinos 446, Santiago. WTD in preparation. TM-157.

### 396 Costume jewelry, novelties, buttons, notions

★★ **CHILE**—Buttons. Jorge Balazs Y Cia. Ltda. (manufacturer), Vicuna Mackenna 1517, Santiago. WTD in preparation. TM-123.

### 399 Manufacturing industries

**NEW ZEALAND**—White, colored sheepskin rugs. Consolexco Distributors New Zealand Ltd. (distributors), P.O. Box 2058, Wellington.

### 505 Farm products—raw materials

★★ **CHILE**—Agent to handle marketing of products. Cooperative Agricola de Fruticultores de la Zona Central Ltda. (producer), Agustinas 853, Of. 531, Santiago. WTD in preparation. TM-161.

★★ Agent to handle marketing of products. Agrucoop (producer), Salinas 352, San Felipe. WTD in preparation. TM-159.

### 731 Advertising

★★ **PARAGUAY**—Local advertising and public relations work for U.S. firms. Publicitaria Nasta (advertising), Cerro Cora 262, Asuncion. WTD in preparation. TM-27.

### 739 Business services

★★ **PARAGUAY**—Assitance for U.S. firms in making specific feasibility studies. Estudio Tecnico Economico Contable (ETEC), (business consultants), Estrella 550, Of. No. 6, Asuncion. WTD in preparation. TM-3.

## New Trade Lists

*The Bureau of International Commerce has published the following Trade Lists, copies of which may be ordered by firms domiciled in the United States, giving the titles listed below or in the case of the automated list for Taiwan by the five digit identification (ID) number from BIC-924, U.S. Department of Commerce, Washington, D.C. 20230 or from Department of Commerce Field Offices. The price is $1 per list. All are dated May.*

American Firms, Subsidiaries and Affiliates—Brazil.

Lumber, Plywood and Veneer—Importers, Dealers, and Exporters—Switzerland.

Printers, Lithographers, Engravers, and Publishers—Philippines.

Taiwan—an automated list

| *No.* | *Title* | *Number of names in list* |
|---|---|---|
| 00000 | Business Firms in Taiwan, (2299) | |

## Visiting Buyers and Officials

*Scheduled arrival dates and U.S. addresses indicated*

**ENGLAND**—Andre A. Slatter, Export Manager, Hotel Division Advisory Service, H. C. Shepherd and Co. Ltd., The Courthouse, 9-11 Justice Walk, London, S.W.3 [illegible] **discussing with appropriat[illegible]** the possibility of having lin[illegible] furniture manufactured unde[illegible] and in negotiating licensing a[illegible] with U.S. firms for manipulation [illegible] frames and finishing processes [illegible] U.K. June 25 via New York for approx. two weeks. c/o Trayer Associates Inc., Bristol, Tenn. Itinerary: 6/25-26 New York c/o Park Sheraton Hotel, 6/27-29 Chicago c/o Hilton Hotel, 6/30-7/1 Memphis, 7/2-4 New Orleans c/o Sheraton Charles Hotel, 7/5 Atlanta c/o Sheraton Biltmore Hotel, 7/6-7 Philadelphia c/o Sheraton Hotel, 7/8 Washington c/o Sheraton Park Hotel, 7/9 New York. WTD in preparation.

**GERMANY**—Joe Bierbaum, J. Bierbaum & Soehne, 428 Borken/Westf., Joh.-Walling Str. 2, **interested in visiting U.S. textile mills.** June 19 via New York for three weeks. c/o W. Laufe, Ohrbach's Inc., 5 W. 34th St., New York, N.Y. 10001. Itinerary: New York; South Carolina: Graniteville, Greenwood, Anderson, Lancaster, Wagram, Spartenburg. WTD 4/68.

**HONG KONG**—C. C. Sze, representing Faithful Trading Co. Ltd., 1942 Union House, Charter Road, Hong Kong, and Faithful Engineering Co. Ltd., Pat Tat St., San Po Kong, Kowloon, Hong Kong, **interested in exclusive distributorships for machinery and equipment for industries, hotels, hospitals, institutions, and in meeting U.S. importers of permanent pressed garments, woolen knitwear, transistors.** June 23 via New York for approx. 20 days. Itinerary: New York c/o Drake America Corp., 477 Madison Ave., New York, N.Y. 10002; Syracuse, Pulaski and Oswego, N.Y.; Cincinnati c/o American Laundry Machinery Industries; Chicago, Dallas, San Francisco c/o Patek & Co., 201 Bay Shore Blvd., San Francisco, Calif. 94124; Honolulu. WTD 5/12/67.

**VENEZUELA**—J. A. Zeley, Materials America C.A., Apartado 60061, Caracas, **interested in acquiring machinery and technical assistance for manufacture of battery boxes with possibility of joint venture.** June 22 via New York for 12 days. c/o First National City Bank, 5th Ave. at 37th St., New York, N.Y. Itinerary: 6/22-24 New York c/o Hotel Statler Hilton. 6/25-26 Washington, D.C., c/o Dr. Charles Vear, Office of International Investments, U.S. Department of Commerce; 6/27-30 Detroit c/o A. Fields, Chrysler Corp.; 7/1-4 New York. WTD in preparation.

# New Books and Reports

***L'Economia Piemontese Nel 1967—Sviluppo e Prospettive* (Piedmont's Economy in 1967—Developments and Prospects). Published by the Associazione Piemonte Italia, Turin. 1968. 227pp. $4.80.**

This Italian-language publication is an annual analysis of economic developments and prospects in the industrially-important Piedmont area, containing extensive and reasonably current statistical data.

There are chapters on industry, construction, credit, foreign trade (Piedmont accounts for approximately 10% of total Italian imports), agriculture, internal commerce and transport. The volume also includes coverage of the semi-autonomous area of Val d'Aosta.

**Write:** Associazione Piemonte Italia, Corso Stati Uniti #45, Turin, Italy.

***Foreign Market Surveys*. U.S. Dept of Commerce. $3 for hardcover; 65¢ for microfiche.**

The following new titles are available in this series of studies prepared by overseas market research firms for use in planning the Office of International Trade Promotion's various export expansion activities.

**Analytical Instruments in Sweden.** PB 177 841.

**Materials Testing Equipment in Sweden.** PB 177 842.

**Printing Machinery in Japan.** PB 177 843.

**Specialized Machine Tools in Italy.** PB 177 844.

**Gas-Cutting & Welding Equipment in Japan.** PB 177 845.

**Industrial & Scientific Instrumentation in Brazil.** PB 177 846.

**Fluid Power Equipment in Germany.** PB 177 847.

**Electronic Equipment & Components in Japan.** PB 177 883.

**Telemetry Equipment in Germany.** PB 177 884.

**Chemical Industry Equipment in France.** PB 178 059.

**Industrial Adhesives, Fasteners, & Related Application Equipment in Italy.** PB 178 060.

**Write:** Clearinghouse for Federal Scientific & Technical Information, U.S. Department of Commerce, Springfield, Va. 22151.

***AFIA Guide Europe*. Published by the American Foreign Insurance Assn. New York. 1968. 32pp. Free.**

Insurance markets in Austria, Belgium, Denmark, France, West Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Switzerland and the United Kingdom are treated in this publication.

The Guide provides information on the basic insurance requirements, as well as summaries of the fire, marine and casualty classes in the above countries.

Insureds, brokers or agents wishing a copy should **write:** AFIA, 110 William St., New York, N.Y. 10038.

### German newspaper has new-product section

U.S. manufacturers planning to introduce new products and services in Germany may be interested in a new advertising section added to the Friday edition of *Die Welt*, which has a circulation of approximately 282,000.

The advertising text of each item should have a heading and provide the advertiser's mailing address. The text must total at least 10 lines but no more than 50, costing DM15 ($3.75) per line.

**Write:** Neu auf dem Markt, *Die Welt*, 2000 Hamburg 36, Federal Republic of Germany.

***Selected Economic Data for the Less Developed Countries*. Published by the Agency for International Development. Washington, D.C. 1968. 8pp. Free.**

Data in this report is based on the most recent information available, generally for the years 1966 and 1967. Two sets of tables are included for each area of Latin America, East Asia, Near East and South Asia, and Africa. The first covers population, area and GNP, and the second covers exports, transport, education and health. A final table compares these factors with those of the developed countries.

**Write:** Statistics & Reports Division, Agency for International Development, Room 709, Thomas Circle South Bldg., Washington, D.C. 20520.

***Commodity Trade Statistics, Jan.-June 1967, for Canada and the United Kingdom*. Published by the United Nations. New York. 1968. 247pp. $1.50.**

The Department of Economic and Social Affairs of the United Nations publishes this listing of commodity trade statistics according to Standard International Trade Classification. Both quantity and value in dollars are given for Canadian imports and exports and U.K. imports, exports and re-exports.

A year's subscription, covering 37 countries, costs $25.

**Write:** Sales Section, United Nations, New York, N.Y. 10017.

***Economic Survey of Denmark*. Published by the OECD. Paris. 1968. 48pp. 80 cents.**

This is the latest title in this series of economic studies for member countries published annually by the OECD. The booklet contains information on: recent trends, including output and demand, wages, prices and incomes, balance of payments, devaluation; fiscal and monetary policy; prospects; and conclusions.

A statistical annex covers supply and use of resources, GNP by industrial origin, consumer expenditures, main economic indicators, imports and exports, and other figures.

**Write:** OECD Publications Office, Suite 1306, 1750 Pennsylvania Ave. NW., Washington, D.C. 20006.

***A Gallatin Special Report on the Pacific-Asia World*. Published by Copley International Corp. 1968. 44pp. $12.50 to non-subscribers.**

This report deals with the opportunities and challenges for U.S. business in the Pacific-Asia area. Covered are opportunities for investment and for trade, regional cooperation and financial considerations. A special section is devoted to Japan, and another to what the authors call the big four: Thailand, the Philippines, Malaysia and Singapore.

Tables are included of principal U.S. exports and imports to the Far East and Oceania.

**Write:** the Gallatin International Business Service, Copley International Corp., 330 Madison Ave., New York, N.Y. 10017.



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# Calendar *for international traders*

**ANN ARBOR, Mich.—June 27-28**—Seminar on Marketing Automotive Parts & Accessories in the European Common Market, U. of Mich. Union. Sponsor: Institute for International Commerce, U. of Mich.

**ATLANTA—June 27**—In-Office Export Conference. Sponsors: Commerce Field Office, REEC.

**BUFFALO—July 2-3**—Businessmen's Consultation, **Hilding A. Peterson, Commercial Officer, Rotterdam/to Toronto.** Sponsor: Commerce Field Office.

**BURLINGTON, Ia.—June 25**—Export Workshop Dinner, Hotel Burlington, 6 p.m. Sponsors: Commerce Des Moines Field Office, REEC, Greater Des Moines Chamber of Commerce.

**CHARLESTON, W. Va.—July 24**—Documentation & Procedure Requirements for Exports, Federal Bldg., 10 a.m. Sponsors: Commerce Field Office, REEC, Chamber of Commerce, Small Business Admin.

**CHICAGO—June 27**—In-Office Meeting, Commerce Field Office.

**CHICAGO—July 9**—Automotive Exporters' Club of Chicago, Builders Bldg.

**CHICAGO—July 24**—In-Office Meeting. Sponsor: Commerce Field Office.

**CLEVELAND—June 26**—Export Workshop, Conference Room, Greater Cleveland Growth Assn., 10 a.m.-12 noon. Sponsors: Commerce Field Office, Cleveland World Trade Assn., Small Business Administration, REEC.

**DETROIT—June 25**—Export Marketing Workshop, Commerce Field Office, 9:30 a.m. Sponsors: Commerce Field Office, REEC.

**DETROIT—July 9**—Export Marketing Workshop, Commerce Field Office, 9:30 a.m. Sponsors: Commerce Field Office, REEC.

**GARDEN CITY, N.Y.—July 2**—World Trade Club of Long Island Roundtable Conference, Garden City Hotel, 9:30 a.m. Luncheon speaker: **Roy Gootenberg, Director of Trade Missions, Bureau of Int'l Commerce, Dept. of Commerce.**

### Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

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**International Commerce**
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**U.S. Department of Commerce**
**Washington, D.C. 20230.**

**HIGHLAND PARK, Ill.—July 7-12**—Institute on the Supranational Corporation & Western European Labor, Hotel Moraine. Sponsor: Loyola U. of Chicago Schools of Law and Business Administration.

**HONOLULU—July 17**—Businessmen's Consultation, **James Savery, Economic & Commercial Officer, to Hong Kong.** Sponsor: Commerce Field Office.

**JACKSON, Tenn.—June 26**—Export Workshop, Chamber of Commerce. Sponsors: Commerce Memphis Field Office, Small Business Administration, Chamber of Commerce.

**KANSAS CITY—June 27**—In-Office Workshop for Exporters, Federal Office Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

**KANSAS CITY—June 28**—Seminar on Balance of Payments, Foreign Investment Controls, Pierson Hall, U. of Mo. at Kansas City, 9 a.m.-5 p.m. Sponsors: U.M.K.C. Law School, Commerce Field Office, REEC.

**LOS ANGELES—July 11**—Businessmen's Consultation, **James Savery, Economic & Commercial Officer, to Hong Kong.** Sponsor: Commerce Field Office.

**NASHVILLE—June 25**—Middle Tenn. Exporters' Roundtable, Continental Western Inn.

**NEW YORK—June 24-25**—Businessmen's Consultation, **Richard C. Devine, Economic & Commercial Officer, Saigon.** Sponsor: Commerce Field Office.

**NEW YORK—June 26-28**—Businessmen's Consultation, **Bernard Blankenheimer, Commercial Officer, to Johannesburg.** Sponsor: Commerce Field Office.

**NEW YORK—July 29-30**—Businessmen's Consultation, **Jerome R. LaVallee, Commercial Attache, Brussels.** Sponsor: Commerce Field Office.

**SAN FRANCISCO—June 26**—General Export Seminar, Rm. 2411, New Federal Bldg., 9:30 a.m.

**TOLEDO—June 25**—Export/Import Workshop on locating agents & distributors abroad, Toledo Area Chamber of Commerce, 10 a.m.

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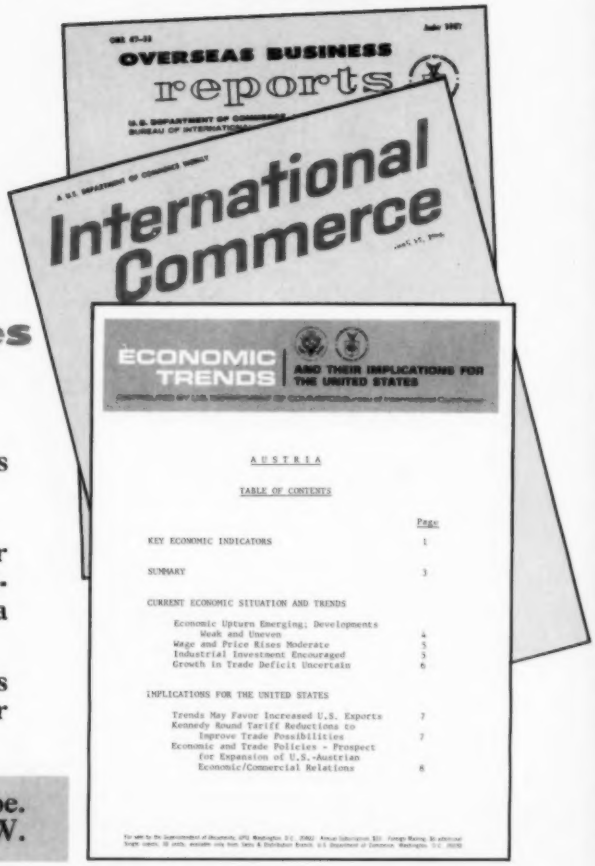
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